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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported) February 28, 2013

POLYONE CORPORATION

(Exact Name of Registrant as Specified in Charter)

Ohio	1-16091	34-1730488
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

PolyOne Center, 33587 Walker Road, Avon Lake, Ohio	44012
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (440) 930-1000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

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

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

Item 1.01 Entry into a Material Definitive Agreement.

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

Indenture

On February 28, 2013, PolyOne Corporation (the "Company"), an Ohio corporation, entered into an indenture (the "Indenture") with Wells Fargo Bank, National Association, as trustee (the "Trustee"), relating to the issuance by the Company of $600 million aggregate principal amount of 5.25% Senior Notes due 2023 (the "Notes"). The Notes were sold on February 28, 2013 in a private transaction exempt from the registration requirements of the Securities Act of 1933 (the "Securities Act"), have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

The Notes bear an interest rate of 5.25% per annum and will be payable semi-annually in arrears on March 15 and September 15 of each year, commencing on September 15, 2013. The Notes mature on March 15, 2023. The Notes are unsecured senior obligations of the Company.

The terms of the Notes are governed by the Indenture. The Indenture contains customary covenants that, among other things, limit the Company's ability to incur additional indebtedness and issue preferred stock, pay dividends on or purchase the Company's equity interests, make certain investments, incur liens on assets, enter into sale and leaseback transactions, merge or consolidate with another company, transfer or sell all or substantially all of the Company's assets, and enter into transactions with affiliates. Upon the occurrence of a "change of control," as defined in the Indenture, the Company is required to offer to repurchase the Notes at 101% of the aggregate principal amount thereof, plus any accrued and unpaid interest, if any, to the repurchase date.

The Company may redeem all or part of the Notes at a redemption price of 100% of the principal amount thereof, plus a "make-whole" premium, on one or more occasions.

The Indenture contains customary events of default, including failure to make required payments, failure to comply with certain agreements or covenants, failure to pay or acceleration of certain other indebtedness, certain events of bankruptcy and insolvency, and failure to pay certain judgments. An event of default under the Indenture will allow either the Trustee or the holders of at least 25% in aggregate principal amount of the then-outstanding Notes to accelerate, or in certain cases, will automatically cause the acceleration of, the amounts due under the Notes.

The foregoing description of the Indenture does not purport to be complete, and is qualified in its entirety by reference to the full text of the Indenture, a copy of which is filed as Exhibit 4.1 to this current Report on Form 8-K and is incorporated herein by reference.

Registration Rights Agreement

In connection with the issuance of the Notes, the Company also entered into a registration rights agreement, dated February 28, 2013 (the "Registration Rights Agreement"), with Merrill Lynch, Pierce, Fenner & Smith Incorporated acting as representative to the several initial purchasers of the Notes. Under the Registration Rights Agreement, the Company agreed, among other things, (i) to file with the Securities and Exchange Commission (the "SEC") a registration statement on an appropriate registration form (the "Exchange Offer Registration Statement") with respect to a registered offer (the "Exchange Offer") to exchange the Notes for new notes (the "Exchange Notes") with terms substantially identical in all material respects to the Notes (except that the Exchange Notes will not contain terms with respect to transfer restrictions and additional interest (as discussed below)) and (ii) to use its commercially reasonable efforts to cause the Exchange Offer Registration Statement to be declared effective under the Securities Act. Upon the Exchange Offer Registration Statement being declared effective, the Company will offer the Exchange Notes in exchange for surrender of the Notes. The Company agreed to keep the Exchange Offer open for not less than 20 business days (or longer if required by applicable law) after the date notice of the Exchange Offer is mailed or sent to Note holders and to consummate the Exchange Offer in no less than 270 days after February 28, 2013. Under certain circumstances, the Company has agreed to file a shelf registration statement with the SEC with respect to the resale of the Notes. If the Company does not comply with these obligations, subject to limitations set forth in the Registration Rights Agreement, the Company will be required to pay additional interest in an amount equal to 0.25% per annum of the principal amount of the Notes, for the first 90 days following default. Thereafter, the amount of special interest will increase by an additional 0.25% per annum with respect to each subsequent 90-day period until the default is cured, up to a maximum amount of 1.00% per annum.

An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated served as the administrative agent under the Term Loan Agreement (as defined below) and an affiliate of Wells Fargo Securities, LLC, an initial purchaser, is the administrative agent and certain of the initial purchasers or their affiliates are lenders under the ABL Credit Agreement (as defined below). In addition, Merrill Lynch, Pierce, Fenner & Smith Incorporated and initial purchasers KeyBanc Capital Markets Inc. and Moelis & Company LLC and/or their affiliates have acted as advisors to the Company in connection with its acquisition of Spartech Corporation.

The foregoing description of the Registration Rights Agreement is qualified in its entirety by reference to the Registration Rights Agreement, a copy of which is filed as Exhibit 10.1 to this current Report on Form 8-K and is incorporated herein by reference.

Amended and Restated Credit Agreement

On March 1, 2013, the Company, PolyOne Canada Inc. ("PolyOne Canada") and certain other subsidiaries of the Company entered into an Amended and Restated Credit Agreement (the "ABL Credit Agreement") with Wells Fargo Capital Finance, LLC, as administrative agent (in such capacity, "Administrative Agent"), Bank of America, N.A. and U.S. Bank National Association, as syndication agents, PNC Bank National Association and KeyBank National Association, as documentation agents, and Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and bookrunners. The ABL Credit Agreement amends and restates the Credit Agreement, dated December 21, 2011 (the "Existing ABL Credit Agreement"), by and among the Company, PolyOne Canada, certain other subsidiaries of the Company party thereto, Wells Fargo Capital Finance, LLC, as administrative agent, and the various lenders and other agents party thereto.

The ABL Credit Agreement, among other things, provides for an increased revolving credit line of up to $400 million (which may be increased up to $450 million subject to the Company meeting certain requirements and obtaining commitments for such increase) (the "Revolving Credit Facility"), subject to the borrowing base limitations. $50 million of the Revolving Credit Facility is available for letters of credit and swing line loans. The Revolving Credit Facility includes a revolving loan subfacility provided to PolyOne Canada in Canadian dollars or U.S. dollars up to the U.S. dollar equivalent of $50 million, subject to the borrowing base limitations. The ABL Credit Agreement also extends the maturity date of the borrowings under the Existing ABL Credit Agreement to March 1, 2018.

The obligations of the Company and certain of its U.S. subsidiaries under the ABL Credit Agreement are guaranteed by certain of PolyOne's U.S. subsidiaries and are secured by substantially all of the existing and future personal property of the Company and certain of its U.S. subsidiaries (excluding certain exceptions, including, without limitation, equipment), a 100% pledge of the voting capital stock of the Company's U.S. subsidiaries, and a 65% pledge of the voting capital stock of the Company's direct foreign subsidiaries (in each case, subject to certain exceptions).

The interest rates per annum applicable to loans under the Revolving Credit Facility will be, at the Company's option, equal to either (i) a base rate or (ii) a LIBOR or CDOR rate, as applicable, for one-, two- or three-month interest periods chosen by the Company, in each case plus an applicable margin percentage. The applicable margin percentage depends upon the excess availability under the Revolving Credit Facility. When excess availability is at its highest, the applicable margin is (i) 0.50% per annum in the case of base rate advances, (ii) 1.50% per annum in the case of LIBOR rate advances, and (iii) 0.75% per annum in the case of CDOR rate advances.

The ABL Credit Agreement contains customary representations and warranties and restrictive covenants. In addition, the Company will be subject to a limit on the ratio of the amount of the Company's consolidated EBITDA (less capital expenditures) to the Company's fixed charge expenses if certain excess availability thresholds are not satisfied.

The ABL Credit Agreement also contains customary events of default. If an event of default occurs, the lenders under the ABL Credit Agreement would be entitled to take various actions, including the acceleration of amounts due thereunder and all actions permitted to be taken by a secured creditor.

The lenders and the agents (and each of their respective subsidiaries or affiliates) of the ABL Credit Agreement have in the past provided, and may in the future provide, investment banking, cash management, underwriting, lending, commercial banking, trust, leasing services, foreign exchange and other advisory services to, or engage in transactions with, the Company and its respective subsidiaries or affiliates. These parties have received, and may in the future receive, customary compensation from the Company and its respective subsidiaries or affiliates for such services.

Item 1.02. Termination of a Material Definitive Agreement.

On February 28, 2013, the Company repaid in full all amounts outstanding under and terminated its Credit Agreement, dated as of December 21, 2011 (the "Term Loan Agreement"), by and among the Company, Bank of America, N.A., as administrative agent, the lenders party thereto and the other agents party thereto with a portion of the net proceeds from the offering of the Notes. An affiliate of Bank of America, N.A. was an initial purchaser of the Notes and served as representative of the initial purchasers of the Notes.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Number	Exhibit
4.1	Indenture, dated February 28, 2012, between PolyOne Corporation and Wells Fargo Bank, National Association, as trustee.
10.1	Registration Rights Agreement, dated February 28, 2013, between PolyOne Corporation and Merrill Lynch, Pierce, Fenner & Smith Incorporated.
10.2	Amended and Restated Credit Agreement, dated March 1, 2013, among the Company, PolyOne Canada and certain other subsidiaries of the Company, Wells Fargo Capital Finance, LLC, as administrative agent, Bank of America, N.A. and U.S. Bank National Association, as syndication agents, PNC Bank National Association and KeyBank National Association, as documentation agents, and Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and bookrunners.

SIGNATURES

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

POLYONE CORPORATION

By: /s/ Lisa K. Kunkle
Name: Lisa K. Kunkle
Title: Vice President, General Counsel and Secretary

Dated: March 5, 2013

INDEX TO EXHIBITS

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10.2	Amended and Restated Credit Agreement, dated March 1, 2013, among PolyOne Corporation, PolyOne Canada and certain other subsidiaries of PolyOne Corporation, Wells Fargo Capital Finance, LLC, as administrative agent, Bank of America, N.A. and U.S. Bank National Association, as syndication agents, PNC Bank National Association and KeyBank National Association, as documentation agents, and Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as joint lead arrangers and bookrunners.

Exhibit 4.1

POLYONE CORPORATION
as Issuer

5.25% SENIOR NOTES DUE 2023

INDENTURE

DATED AS OF FEBRUARY 28, 2013

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Trustee

CROSS-REFERENCE TABLE*

Trust Indenture Act Section	Indenture Section
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(a)(5)	7.10
(b)	7.3; 7.10
(c)	N.A.
311(a)	7.11
(b)	7.11
(c)	N.A.
312(a)	2.5
(b)	12.3
(c)	12.3
313(a)	7.6
(b)(1)	N.A.
(b)(2)	7.6; 7.7
(c)	7.6; 12.2
(d)	7.6
314(a)	4.3; 12.5
(b)	N.A.
(c)(1)	12.4
(c)(2)	12.4
(c)(3)	N.A.
(d)	N.A.
(e)	12.5
(f)	N.A.
315(a)	7.1
(b)	7.5
(c)	7.1
(d)	7.1
(e)	6.11
316(a) (last sentence)	2.9
(a)(1)(A)	6.5
(a)(1)(B)	6.4
(a)(2)	N.A.
(b)	6.7
(c)	2.13
317(a)(1)	6.8
(a)(2)	6.9
(b)	2.3
318(a)	12.1
(b)	N.A.
(c)	12.1

N.A. means not applicable.

* This Cross-Reference Table is not part of the Indenture.

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INDENTURE (this "*Indenture*") dated as of February 28, 2013, is by and between PolyOne Corporation, an Ohio corporation (the "*Company*" or the "*Issuer*"), and Wells Fargo Bank, National Association, as trustee (the "*Trustee*").

WHEREAS, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of (i) $600,000,000 aggregate principal amount of 5.25% Senior Notes due 2023 (the "*Initial Notes*") issued on the date hereof, (ii) if and when issued pursuant to the Registration Rights Agreement (as defined herein), 5.25% Senior Notes due 2023 issued in an Exchange Offer (as defined herein) in exchange for any Initial Notes or upon transfer pursuant to a Shelf Registration Statement (as defined herein) (the "*Exchange Notes*") and (iii) any additional Notes (as defined herein) that may be issued on any other Issue Date (as defined herein) (the "*Additional Notes*" and, together with the Initial Notes and the Exchange Notes, the "*Notes*");

WHEREAS, all necessary acts and things have been done to make (i) the Notes, when duly issued and executed by the Company and authenticated and delivered hereunder, the legal, valid and binding obligations of the Company, and (ii) this Indenture a legal, valid and binding agreement of the Company in accordance with the terms hereof;

WHEREAS, the Company has received good and valuable consideration for the execution and delivery of this Indenture, and the Company will derive substantial direct and indirect benefits from the issuance of the Notes.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually covenanted and agreed, for the benefit of each other and the equal and proportionate benefit of all Holders, as follows:

ARTICLE I

DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.1 Definitions.

"*2015 Notes*" means the $50,000,000 aggregate principal amount of 7.500% Debentures due 2015 issued by the Company pursuant to an indenture, dated December 1, 1995, by and between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee.

"*2020 Notes*" means the $360,000,000 aggregate principal amount of 7.375% Senior Notes due 2020 issued by the Company pursuant to the indenture, as supplemented by a supplemental indenture, each dated September 24, 2010, by and between the Company and Wells Fargo Bank, National Association, as trustee.

"*ABL Credit Agreement*" means the Company's credit agreement with respect to the asset based credit facilities entered into as of December 21, 2011, by and among the Company, certain subsidiaries of the Company, the lenders party thereto and Wells Fargo Capital Finance, LLC, as administrative agent and collateral agent, together with all related notes, letters of credit, collateral documents, guarantees, and any other related agreements and instruments executed and delivered in connection therewith, in each case as amended, modified, supplemented, restated, refinanced, refunded or replaced in whole or in part (including by sales of debt securities) from time to time including by or pursuant to any agreement or instrument (including an indenture) that extends the maturity of any Debt thereunder, or increases the amount of available borrowings thereunder, or adds Subsidiaries of the Company as additional borrowers or guarantors thereunder, in each case with respect to such agreement or any successor or replacement agreement and whether by the same or any other agent, lender, group of lenders, purchasers or debt holders.

"*Acquired Business*" means Spartech Corporation, a Delaware corporation, and its subsidiaries.

"*Acquired Debt*" means Debt (1) of a Person (including an Unrestricted Subsidiary) existing at the time such Person becomes a Restricted Subsidiary or (2) assumed in connection with the acquisition of assets from such Person. Acquired Debt shall be deemed to have been Incurred, with respect to clause (1) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary and, with respect to clause (2) of the preceding sentence, on the date of consummation of such acquisition of assets.

"*Additional Interest*" means all additional interest then owing pursuant to the corresponding Registration Rights Agreement.

"*Additional Notes*" means Notes (other than the Initial Notes) issued pursuant to Article II hereof and otherwise in compliance with the provisions of this Indenture.

"*Affiliate*" of any Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "*control*" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "*controlling*" and "*controlled*" have meanings that correspond to the foregoing.

"*Agent*" means any Registrar, Note Custodian, Paying Agent (so long as Trustee serves in such capacity) or co-registrar.

"*Applicable Premium*" means, with respect to a Note at any date of redemption, the greater of: (i) 1.0% of the principal amount of such Note; and (ii) the excess of (A) an amount equal to the sum of the present value of the remaining scheduled payments of principal of and interest on the Notes to be redeemed (excluding accrued and unpaid interest to the date of redemption and subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date) discounted from the maturity date to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using a discount rate equal to the Treasury Rate plus 50 basis points plus, in each of the above cases, accrued and unpaid interest, if any, to such redemption date, over (B) the principal amount of such Note.

"*Applicable Procedures*" means, with respect to any payment, tender, redemption, transfer or transaction involving a Global Note or beneficial interests therein, the rules and procedures of the Depositary for such Note, Euroclear and Clearstream, in each case to the extent applicable to such payment, tender, redemption, transfer or transaction and as in effect from time to time.

"*Asset Acquisition*" means:

(a) an Investment by the Company or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary, or shall be merged with or into the Company or any Restricted Subsidiary; or

(b) the acquisition by the Company or any Restricted Subsidiary of the assets of any Person which constitute all or substantially all of the assets of such Person, any division or line of business of such Person or any other properties or assets of such Person other than in the ordinary course of business and consistent with past practices.

"*Asset Sale*" means any transfer, conveyance, sale, lease or other disposition (including, without limitation, dispositions pursuant to any consolidation or merger) by the Company or any of its Restricted Subsidiaries to any Person (other than to the Company or one or more of its Restricted Subsidiaries) in any single transaction or series of transactions of:

(i) Capital Interests in a Restricted Subsidiary (other than directors' qualifying shares or shares or interests required to be held by foreign nationals pursuant to local law); or

(ii) any other property or assets (other than in the normal course of business, including any sale or other disposition of obsolete or permanently retired equipment);

provided, *however*, that the term "Asset Sale" shall exclude:

(a) any asset disposition permitted by Section 5.1 that constitutes a disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole;

(b) any transfer, conveyance, sale, lease or other disposition of property or assets, the gross proceeds of which (exclusive of indemnities) do not exceed in any one or related series of transactions $20.0 million;

(c) sales or other dispositions of cash or Eligible Cash Equivalents;

(d) sales of interests in or assets of Unrestricted Subsidiaries;

(e) the sale and leaseback of any assets within 90 days of the acquisition thereof;

(f) the disposition of assets that, in the good faith judgment of the Company, are no longer used or useful in the business of such entity;

(g) a Restricted Payment or Permitted Investment that is otherwise permitted by this Indenture;

(h) any trade-in of equipment in exchange for other equipment; *provided* that, in the good faith judgment of the Company, the Company or such Restricted Subsidiary receives equipment having a Fair Market Value equal to or greater than the equipment being traded in;

(i) the concurrent purchase and sale or exchange of Related Business Assets or a combination of Related Business Assets between the Company or any of its Restricted Subsidiaries and another Person to the extent that the Related Business Assets received by the Company or its Restricted Subsidiaries are of equivalent or greater Fair Market Value than the Related Business Assets transferred;

(j) the creation of a Lien (but not the sale or other disposition of the property subject to such Lien);

(k) leases or subleases in the ordinary course of business to third persons not interfering in any material respect with the business of the Company or any of its Restricted Subsidiaries and otherwise in accordance with the provisions of this Indenture;

(l) any disposition by a Subsidiary to the Company or by the Company or a Subsidiary to a Restricted Subsidiary;

(m) dispositions of accounts receivable in connection with the collection or compromise thereof in the ordinary course of business and consistent with past practice;

(n) licensing or sublicensing of intellectual property or other general intangibles in accordance with industry practice in the ordinary course of business;

(o) any transfer of accounts receivable, or a fractional undivided interest therein, by a Receivable Subsidiary in a Qualified Receivables Transaction;

(p) any release of any intangible claims or rights in connection with a lawsuit, dispute or other controversy;

(q) sales of accounts receivable to a Receivable Subsidiary pursuant to a Qualified Receivables Transaction for the Fair Market Value thereof; including cash or other financial accommodation, such as the provision of letters of credit by such Receivable Subsidiary on behalf of or for the benefit of the transferor of such accounts receivable (for the purposes of this clause (q), Purchase Money Notes will be deemed to be cash); or

(r) foreclosures on assets to the extent they would not otherwise result in a Default or Event of Default.

For purposes of this definition, any series of related transactions that, if effected as a single transaction, would constitute an Asset Sale shall be deemed to be a single Asset Sale effected when the last such transaction which is a part thereof is effected.

"*Asset Sale Offer*" means an Offer to Purchase required to be made by the Company pursuant to Section 4.10 to all Holders.

"*Attributable Debt*" in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended).

"*Average Life*" means, as of any date of determination, with respect to any Debt, the quotient obtained by dividing (i) the sum of the products of (x) the number of years from the date of determination to the dates of each successive scheduled principal payment (including any sinking fund or mandatory redemption payment requirements) of such Debt multiplied by (y) the amount of such principal payment by (ii) the sum of all such principal payments.

"*Bankruptcy Law*" means title 11, U.S. Code or any similar Federal or State law for the relief of debtors.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person," as such term is used in Section 13(d)(3) of the Exchange Act, such "person" shall be deemed to have beneficial ownership of all securities that such "person" has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition.

"*Board of Directors*" means (i) with respect to the Company or any Restricted Subsidiary, its board of directors or any duly authorized committee thereof; (ii) with respect to a corporation, the board of directors of such corporation or any duly authorized committee thereof; and (iii) with respect to any other entity, the board of directors or similar body of the general partner or managers of such entity or any duly authorized committee thereof.

"*Board Resolution*" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been adopted by the Board of Directors or pursuant to authorization by the Board of Directors and to be in full force and effect on the date of such certification and delivered to the Trustee.

"*Business Day*" means any day except a Saturday, Sunday or a legal holiday in The City of New York on which banking institutions generally or the Trustee are authorized or required by law, regulation or executive order to close.

"*Capital Interests*" in any Person means any and all shares, interests (including Preferred Interests), participations or other equivalents in the equity interest (however designated) in such Person and any rights (other than Debt securities convertible into an equity interest), warrants or options to acquire an equity interest in such Person.

"*Capital Lease Obligations*" means any obligation of a Person under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP; and the amount of Debt represented by such obligation shall be the capitalized amount of such obligations determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"*CFC*" means a Person that is a controlled foreign corporation under Section 957 of the Code.

"*Certificated Notes*" means Notes that are in the form of Exhibit A attached hereto, other than the Global Notes.

"*Change of Control*" means:

(1) the Company becomes aware (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) that any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the ultimate "beneficial owner" (as such term is used in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (1) such person or group shall be deemed to have "beneficial ownership" of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the Voting Interests in the Company,

(2) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Company (together with any new directors whose election by the Board of Directors or whose nomination for election by the equity holders of the Company was approved by a vote of a majority of the directors of the Company then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Company's Board of Directors then in office or

(3) the Company sells, conveys, transfers or leases (either in one transaction or a series of related transactions) all or substantially all of its assets to, or merges or consolidates with, a Person other than a Restricted Subsidiary of the Company, other than a merger or consolidation where (A) the Voting Interests of the Company outstanding immediately prior to such transaction are converted into or exchanged for Voting Interests of the surviving or transferee Person constituting a majority of the outstanding Voting Interests of such surviving or transferee Person (immediately after giving effect to such issuance) and (B) immediately after such transaction, no "person" or "group" (as such terms are used in Section 13(d) and 14(d) of the Exchange Act) becomes, directly or indirectly, the beneficial owner of 50% or more of the voting power of the Voting Interests of the surviving or transferee Person.

"*Code*" means the Internal Revenue Code of 1986, as amended from time to time and the regulations promulgated thereunder.

"*Commission*" means the Securities and Exchange Commission and any successor thereto.

"*Common Interests*" of any Person means Capital Interests in such Person that do not rank prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such Person, to Capital Interests of any other class in such Person.

"*Company*" or "*Issuer*" has the meaning set forth in the recitals hereto until a successor replaces it in accordance with the applicable provisions of this Indenture and, thereafter, means the successor thereto.

"*Consolidated Cash Flow Available for Fixed Charges*" means, with respect to any Person for any period:

(i) the sum of, without duplication, the amounts for such period, taken as a single accounting period, of:

(a) Consolidated Net Income;

(b) Consolidated Non-cash Charges;

(c) Consolidated Interest Expense to the extent the same was deducted in computing Consolidated Net Income;

(d) Consolidated Income Tax Expense;

(e) any expenses or charges related to any equity offering, Permitted Investment, recapitalization or Incurrence of Debt permitted to be made under this Indenture (whether or not successful) or related to the offering of the Initial Notes issued on the Issue Date;

(f) the amount of any interest expense attributable to minority equity interests of third parties in any non-wholly owned Subsidiary to the extent deducted in such period in computing Consolidated Net Income;

(g) any net loss from discontinued operations; and

(h) any costs or expenses incurred by the Company or a Restricted Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement, any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Capital Interests of the Company (other than Redeemable Capital Interests); *less*

(ii) (x) net income from discontinued operations and (y) non-cash items increasing Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business.

"*Consolidated Fixed Charge Coverage Ratio*" means, with respect to any Person, the ratio of the aggregate amount of Consolidated Cash Flow Available for Fixed Charges of such Person for the four full fiscal quarters, treated as one period, for which financial information in respect thereof is available immediately preceding the date of the transaction (the "*Transaction Date*") giving rise to the need to calculate the Consolidated Fixed Charge Coverage Ratio (such four full fiscal quarter period being referred to herein as the "*Four Quarter Period*") to the aggregate amount of Consolidated Fixed Charges of such Person for the Four Quarter Period. In addition to and without limitation of the foregoing, for purposes of this definition, "Consolidated Cash Flow Available for Fixed Charges" and "Consolidated Fixed Charges" shall be calculated after giving effect (i) to the cost of any compensation, remuneration or other benefit paid or provided to any employee, consultant, Affiliate, equity owner of the entity involved in any Asset Acquisition to the extent such costs are eliminated or reduced (or public announcement has been made of the intent to eliminate or reduce such costs) prior to the date of such calculation and not replaced; and (ii) on a *pro forma* basis for the period of such calculation, to any Asset Sales or other dispositions or Asset Acquisitions, Investments, mergers, consolidations, discontinued operations (as determined in accordance with GAAP) or designations of any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary occurring during the Four-Quarter Period or any time subsequent to the last day of the Four-Quarter Period and on or prior to the Transaction Date, as if such Asset Sale or other disposition or Asset Acquisition (including the Incurrence or assumption of any such Acquired Debt), Investment, merger, consolidation, disposed operation or designation occurred on the first day of the Four-Quarter Period. For purposes of this definition, *pro forma* calculations shall be made in accordance with Article 11 of Regulation S-X promulgated under the Securities Act, except that such *pro forma* calculations may also include operating expense reductions for such period resulting from the Asset Sale or other disposition or Asset Acquisition, investment, merger, consolidation or discontinued operation (as determined in accordance with GAAP) for which *pro forma* effect is being given (A) that have been realized or (B) for which steps have been taken or are reasonably expected to be taken within six (6) months of the date of such transaction and are supportable and quantifiable and, in each case, including, but not limited to, (a) reduction in personnel expenses, (b) reduction of costs related to administrative functions, (c) reduction of costs related to leased or owned properties and (d) reductions from the consolidation of operations and streamlining of corporate overhead, *provided* that, in either case, such adjustments are set forth in an Officer's Certificate signed by the Company's chief financial or similar officer that states (i) the amount of such adjustment or adjustments and (ii) that such adjustment or adjustments are based on the reasonable good faith belief of the Officer executing such Officer's Certificate at the time of such execution.

Furthermore, in calculating "Consolidated Fixed Charges" for purposes of determining the denominator (but not the numerator) of this "Consolidated Fixed Charge Coverage Ratio":

(i) interest on outstanding Debt determined on a fluctuating basis as of the Transaction Date and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Debt in effect on the Transaction Date; and

(ii) if interest on any Debt actually Incurred on the Transaction Date may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency interbank offered rate, or other rates, then the interest rate in effect on the Transaction Date will be deemed to have been in effect during the Four Quarter Period.

If such Person or any of its Restricted Subsidiaries directly or indirectly Guarantees Debt of a third Person, the above clause shall give effect to the Incurrence of such Guaranteed Debt as if such Person or such Subsidiary had directly Incurred or otherwise assumed such Guaranteed Debt.

"*Consolidated Fixed Charges*" means, with respect to any Person for any period, the sum of, without duplication, the amounts for such period of:

(i) Consolidated Interest Expense; and

(ii) the product of (a) all cash dividends and other distributions paid or accrued during such period in respect of Redeemable Capital Interests of such Person and its Restricted Subsidiaries (other than dividends paid in Qualified Capital Interests), *times* (b) a fraction, the numerator of which is one and the denominator of which is one *minus* the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal.

"*Consolidated Income Tax Expense*" means, with respect to any Person for any period the provision for federal, state, local and foreign income taxes of such Person and its Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP paid or accrued during such period, including any penalties and interest related to such taxes or arising from any tax examinations, to the extent the same were deducted in computing Consolidated Net Income.

"*Consolidated Interest Expense*" means, with respect to any Person for any period, without duplication, the sum of:

(i) the total interest expense of such Person and its Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with GAAP, including, without limitation:

(a) any amortization of debt discount;

(b) the net cost under any Hedging Obligation or Swap Contract in respect of interest rate protection (including any amortization of discounts);

(c) the interest portion of any deferred payment obligation;

(d) all commissions, discounts and other fees and charges owed with respect to Qualified Receivables Transactions (to the extent payable by the Company and its Restricted Subsidiaries to any Person other than the Company or a Restricted Subsidiary) and letters of credit and bankers' acceptance financings; and

(e) all accrued interest;

(ii) the interest component of Capital Lease Obligations paid, accrued and/or scheduled to be paid or accrued by such Person and its Restricted Subsidiaries during such period determined on a consolidated basis in accordance with GAAP; and

(iii) all capitalized interest of such Person and its Restricted Subsidiaries for such period; less interest income of such Person and its Restricted Subsidiaries for such period; *provided*, *however*, that Consolidated Interest Expense will exclude (I) the amortization or write-off of debt issuance costs and deferred financing fees, commissions, fees and expenses, (II) any expensing of interim loan commitment and other financing fees and (III) non-cash interest on any convertible or exchangeable notes that exists by virtue of the bifurcation of the debt and equity components of convertible or exchangeable notes and the application FSP APB 14-1 or any similar provision.

"*Consolidated Net Income*" means, with respect to any Person for any period, the consolidated net income (or loss) of such Person and its Restricted Subsidiaries for such period as determined in accordance with GAAP, adjusted, to the extent included in calculating such net income, by:

(A) excluding, without duplication

(i) all extraordinary gains or losses (net of fees and expenses relating to the transaction giving rise thereto), income, expenses or charges;

(ii) the portion of net income of such Person and its Restricted Subsidiaries allocable to minority interest in unconsolidated Persons or Investments in Unrestricted Subsidiaries to the extent that cash dividends or distributions have not actually been received by such Person or one of its Restricted Subsidiaries; *provided* that for the avoidance of doubt, Consolidated Net Income shall be increased in amounts equal to the amounts of cash actually received;

(iii) gains or losses in respect of any Asset Sales by such Person or one of its Restricted Subsidiaries (net of fees and expenses relating to the transaction giving rise thereto), on an after-tax basis;

(iv) the net income (loss) from any disposed or discontinued operations or any net gains or losses on disposed or discontinued operations, on an after-tax basis;

(v) solely for purposes of determining the amount available for Restricted Payments under clause (c) of the first paragraph of Section 4.7, the net income of any Restricted Subsidiary (other than a Guarantor) or such Person to the extent that the declaration of dividends or similar distributions by that Restricted Subsidiary of that income is not at the time permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulations applicable to that Restricted Subsidiary or its stockholders; *provided* that for the avoidance of doubt, Consolidated Net Income shall be increased in amounts equal to the amounts of cash actually received;

(vi) any gain or loss realized as a result of the cumulative effect of a change in accounting principles;

(vii) any fees and expenses paid in connection with the issuance of the Initial Notes on the Issue Date;

(viii) non-cash compensation expense Incurred with any issuance of equity interests to an employee of such Person or any Restricted Subsidiary;

(ix) any net after-tax gains or losses attributable to the early extinguishment or conversion of Debt;

(x) any non-cash impairment charges or asset write-off or write-down resulting from the application of Statement of Financial Accounting Standards No. 142 or Statement of Financial Accounting Standards No. 144, and the amortization of intangibles arising pursuant to Statement of Financial Accounting Standards No. 141 or any related subsequent Statement of Financial Accounting Standards or Accounting Standards Codification;

(xi) non-cash gains, losses, income and expenses resulting from fair value accounting required by Statement of Financial Accounting Standards No. 133 or any related subsequent Statement of Financial Accounting Standards or Accounting Standards Codification;

(xii) accruals and reserves that are established within twelve (12) months after the closing of any acquisition that are so required to be established as a result of such acquisition in accordance with GAAP not to exceed $10.0 million in any calendar year;

(xiii) any fees, expenses, charges or Integration Costs Incurred during such period, or any amortization thereof for such period, in connection with any acquisition, Investment, Asset Sale, disposition, Incurrence or repayment of Debt (including such fees, expenses or charges related to any Credit Facility), issuance of Capital Interests, refinancing transaction or amendment or modification of any debt instrument, and including, in each case, any such transaction undertaken but not completed, and any charges or non-recurring merger or acquisition costs Incurred during such period as a result of any such transaction, in each case whether or not successful;

(xiv) any net unrealized gain or loss (after any offset) resulting from currency translation gains or losses related to currency remeasurements of Debt (including any net gain or loss resulting from obligations under Hedging Obligations for currency exchange risk) and any foreign currency translation gains or losses;

(xv) any accruals and reserves that are established for expenses and losses, in respect of equity-based awards compensation expense (*provided* that if any such non-cash charges represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall reduce Consolidated Net Income to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period);

(xvi) any expenses, charges or losses that are covered by indemnification or other reimbursement provisions in connection with any Permitted Investment or any sale, conveyance, transfer or other disposition of assets permitted under this Indenture, to the extent actually reimbursed, or, so long as the Issuer has made a determination that a reasonable basis exists for indemnification or reimbursement and only to the extent that such amount is in fact indemnified or reimbursed within 365 days of such determination (with a deduction in the applicable future period for any amount so added back to the extent not so indemnified or reimbursed within such 365 days); and

(xvii) to the extent covered by insurance and actually reimbursed, or, so long as the Company has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is in fact reimbursed within 365 days of the date of such determination (with a deduction in the applicable future period for any amount so added back to the extent not so reimbursed within such 365 days), expenses, charges or losses with respect to liability or casualty events or business interruption; and

(B) including, without duplication, dividends and distributions from joint ventures actually received in cash by the Company.

"*Consolidated Non-cash Charges*" means, with respect to any Person for any period, the aggregate depreciation, amortization (including amortization of goodwill, other intangibles, deferred financing fees, debt issuance costs, commissions, fees and expenses) and other non-cash expenses of such Person and its Restricted Subsidiaries reducing Consolidated Net Income of such Person and its Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP (excluding any such charges constituting an extraordinary item or loss and excluding any such charges constituting an extraordinary item or loss or any charge which requires an accrual of or a reserve for cash charges for any future period).

"*Consolidated Secured Leverage Ratio*" means, with respect to any Person, the ratio of the aggregate amount of all Debt secured by Liens of such Person and its Restricted Subsidiaries at the end of the most recent fiscal period for which financial information in respect thereof is available immediately preceding the date of the transaction (the "*Transaction Date*") giving rise to the need to calculate the Consolidated Secured Leverage Ratio to the aggregate amount of Consolidated Cash Flow Available for Fixed Charges of such Person for the four full fiscal quarters, treated as one period, for which financial information in respect thereof is available immediately preceding the Transaction Date (such four full fiscal quarter period being referred to herein as the "*Four Quarter Period*"). In addition to and without limitation of the foregoing, this ratio shall be calculated after giving effect (i) to the cost of any compensation, remuneration or other benefit paid or provided to any employee, consultant, Affiliate, equity owner of the entity involved in any Asset Acquisition to the extent such costs are eliminated or reduced (or public announcement has been made of the intent to eliminate or reduce such costs) prior to the date of such calculation and not replaced; and (ii) on a *pro forma* basis for the period of such calculation, to any Asset Sales or other dispositions or Asset Acquisitions, Investments, mergers, consolidations, discontinued operations (as determined in accordance with GAAP) or designations of any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary occurring during the Four Quarter Period or any time subsequent to the last day of the Four Quarter Period and on or prior to the Transaction Date, as if such Asset Sale or other disposition or Asset Acquisition (including the Incurrence or assumption of any such Acquired Debt), Investment, merger, consolidation, disposed operation or designation occurred on the first day of the Four Quarter Period. For purposes of this definition, *pro forma* calculations shall be made in accordance with Article 11 of Regulation S-X promulgated under the Securities Act, except that such *pro forma* calculations may also include operating expense reductions for such period resulting from the Asset Sale or other disposition or Asset Acquisition, investment, merger, consolidation or discontinued operation (as determined in accordance with GAAP) for which *pro forma*

effect is being given (A) that have been realized or (B) for which steps have been taken or are reasonably expected to be taken within six (6) months of the date of such transaction and are supportable and quantifiable and, in each case, including, but not limited to, (a) reduction in personnel expenses, (b) reduction of costs related to administrative functions, (c) reduction of costs related to leased or owned properties and (d) reductions from the consolidation of operations and streamlining of corporate overhead, *provided* that, in either case, such adjustments are set forth in an Officer's Certificate signed by the Company's chief financial or similar officer that states (i) the amount of such adjustment or adjustments and (ii) that such adjustment or adjustments are based on the reasonable good faith belief of the Officers executing such Officer's Certificate at the time of such execution.

"*Consolidated Total Assets*" of any Person as of any date means the total assets of such Person and its Restricted Subsidiaries as of the most recent fiscal quarter end for which an internal consolidated balance sheet of such Person and its Subsidiaries is available, all calculated on a consolidated basis in accordance with GAAP.

"*Corporate Trust Office of the Trustee*" means the office of the Trustee, at which at any particular time its corporate trust business shall be administered, which office at the date of execution of this Indenture is located at be administered, which office is, at the date of this Indenture, located at 230 West Monroe Street, Suite 2900, Chicago, Illinois 60606, Attention: Corporate Trust Services, except that, with respect to presentation of the Notes for payment or registration of transfers or exchanges and the location of the Note Register and Registrar, such term means the office or agency of the Trustee in Minneapolis, Minnesota, which at the date of original execution of this Indenture is located at 608 Second Avenue South, N9303-121, Minneapolis, Minnesota 55479, Attention: Corporate Trust Operations, or such other address as the Trustee may designate from time to time by notice to Holders and the Issuer, or the corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Issuer).

"*Credit Agreements*" means the ABL Credit Agreement and the Term Credit Agreement.

"*Credit Facilities*" means one or more credit facilities (including the Credit Agreements), commercial paper facilities or indentures, in each case with banks or other lenders, investors or a trustee providing for revolving loans, term loans, the issuance of letters of credit or bankers' acceptances, receivables financings or the issuance of debt securities.

"*Debt*" means at any time (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person, or non-recourse, the following: (i) all indebtedness of such Person for money borrowed or for the deferred purchase price of property, excluding any trade payables or other current liabilities incurred in the normal course of business; (ii) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments; (iii) all reimbursement obligations of such Person with respect to letters of credit (other than letters of credit that are secured by cash or Eligible Cash Equivalents), bankers' acceptances or similar facilities (excluding obligations in respect of letters of credit or bankers' acceptances issued in respect of trade payables) issued for the account of such Person; *provided* that such obligations shall not constitute Debt except to the extent drawn and not repaid within five Business Days; (iv) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property or assets acquired by such Person; (v) all Capital Lease Obligations of such Person; (vi) the maximum fixed redemption or repurchase price of Redeemable Capital Interests in such Person at the time of determination; (vii) any Swap Contracts and Hedging Obligations of such Person at the time of determination; (viii) Attributable Debt with respect to any Sale and Leaseback Transaction to which such Person is a party; and (ix) all obligations of the types referred to in clauses (i) through (viii) of this definition of another Person, the payment of which, in either case, (A) such Person has Guaranteed or (B) is secured by (or the holder of such Debt or the recipient of

such dividends or other distributions has an existing right, whether contingent or otherwise, to be secured by) any Lien upon the property or other assets of such Person, even though such Person has not assumed or become liable for the payment of such Debt. For purposes of the foregoing: (a) the maximum fixed repurchase price of any Redeemable Capital Interests that do not have a fixed repurchase price shall be calculated in accordance with the terms of such Redeemable Capital Interests as if such Redeemable Capital Interests were repurchased on any date on which Debt shall be required to be determined pursuant to this Indenture; *provided*, *however*, that, if such Redeemable Capital Interests are not then permitted to be repurchased, the repurchase price shall be the book value of such Redeemable Capital Interests; (b) the amount outstanding at any time of any Debt issued with original issue discount is the principal amount of such Debt less the remaining unamortized portion of the original issue discount of such Debt at such time as determined in conformity with GAAP, but such Debt shall be deemed Incurred only as of the date of original issuance thereof; (c) the amount of any Debt described in clause (vii) is the net amount payable (after giving effect to permitted set off) if such Swap Contracts or Hedging Obligations are terminated at that time due to default of such Person; (d) the amount of any Debt described in clause (ix)(A) above shall be the maximum liability under any such Guarantee; (e) the amount of any Debt described in clause (ix)(B) above shall be the lesser of (I) the maximum amount of the obligations so secured and (II) the Fair Market Value of such property or other assets; and (f) interest, fees, premium, and expenses and additional payments, if any, will not constitute Debt. For purposes of determining any particular amount of Debt, Guarantees, Liens, obligations with respect to letters of credit and other obligations supporting Debt otherwise included in the determination of a particular amount will not be included.

Notwithstanding the foregoing, the term "Debt" will exclude (a) any endorsements for collection or deposits in the ordinary course of business, (b) any realization of a Permitted Lien, (c) Debt that has been defeased or satisfied in accordance with the terms of the documents governing such Debt, and (d) in connection with the purchase by the Company or any Restricted Subsidiary of any business, (x) customary indemnification obligations and (y) post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment is otherwise contingent; *provided*, *however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 60 days thereafter.

The amount of Debt of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, only upon the occurrence of the contingency giving rise to the obligations, of any contingent obligations at such date; *provided*, *however*, that in the case of Debt sold at a discount, the amount of such Debt at any time will be the accreted value thereof at such time. If such Person or any of its Restricted Subsidiaries directly or indirectly Guarantees Debt of a third Person, the amount of Debt of such Person shall give effect to the Incurrence of such Guaranteed Debt as if such Person or such Subsidiary had directly Incurred or otherwise assumed such Guaranteed Debt.

"*Default*" means any event that is, or after notice or passage of time, or both, would be, an Event of Default.

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.6(c) hereof, substantially in the form of Exhibit A except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Designated Non-cash Consideration*" means the Fair Market Value of non-cash consideration received by the Company or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as "Designated Non-cash Consideration" pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash or Eligible Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.3 hereof as the Depositary with respect to the Notes, until a successor shall have been appointed and become such pursuant to Section 2.6 hereof, and, thereafter, "Depositary" shall mean or include such successor.

"*DTC*" means The Depository Trust Company.

"*Eligible Bank*" means a bank or trust company that (i) is licensed, chartered or organized and existing under the laws of the United States of America or Canada, or any state, territory, province or possession thereof, (ii) as of the time of the making or acquisition of an Investment in such bank or trust company, has combined capital and surplus in excess of $500.0 million and (iii) the senior Debt of which is rated at least "A-2" by Moody's or at least "A" by S&P.

"*Eligible Cash Equivalents*" means any of the following Investments: (i) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (*provided* that the full faith and credit of the United States is pledged in support thereof) maturing not more than one year after the date of acquisition; (ii) time deposits in and certificates of deposit of any Eligible Bank, *provided* that such Investments have a maturity date not more than two years after date of acquisition and that the Average Life of all such Investments is one year or less from the respective dates of acquisition; (iii) repurchase obligations with a term of not more than 180 days for underlying securities of the types described in clause (i) above entered into with any Eligible Bank; (iv) direct obligations issued by any state of the United States or any political subdivision or public instrumentality thereof, *provided* that such Investments mature, or are subject to tender at the option of the holder thereof, within 365 days after the date of acquisition and, at the time of acquisition, have a rating of at least A from S&P or A-2 from Moody's (or an equivalent rating by any other nationally recognized rating agency); (v) commercial paper of any Person other than an Affiliate of the Company and other than structured investment vehicles, *provided* that such Investments have one of the two highest ratings obtainable from either S&P or Moody's and mature within 180 days after the date of acquisition; (vi) overnight and demand deposits in and bankers' acceptances of any Eligible Bank and demand deposits in any bank or trust company to the extent insured by the Federal Deposit Insurance Corporation against the Bank Insurance Fund; (vii) money market funds substantially all of the assets of which comprise Investments of the types described in clauses (i) through (vi); and (viii) instruments equivalent to those referred to in clauses (i) through (vi) above or funds equivalent to those referred to in clause (vii) above denominated in U.S. dollars, Euros or any other foreign currency comparable in credit quality and tenor to those referred to in such clauses and customarily used by corporations for cash management purposes in jurisdictions outside the United States to the extent reasonably required in connection with any business conducted by any Restricted Subsidiary organized in such jurisdiction, all as determined in good faith by the Company.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto, as interpreted by the rules and regulations thereunder, all as the same may be in effect from time to time. References to sections of ERISA shall be construed also to refer to any successor sections.

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

"*Exchange Notes*" has the meaning set forth in the recitals to this Indenture.

"*Exchange Offer*" has the meaning set forth in a corresponding Registration Rights Agreement.

"*Exchange Offer Registration Statement*" has the meaning set forth in a corresponding Registration Rights Agreement.

"*Expiration Date*" has the meaning set forth in the definition of "Offer to Purchase."

"*Fair Market Value*" means, with respect to the consideration received or paid in any transaction or series of transactions, the fair market value thereof as determined in good faith by the Company. In the case of a transaction between the Company or a Restricted Subsidiary, on the one hand, and a Receivable Subsidiary, on the other hand, if the Company determines in its sole discretion that such determination is appropriate, a determination as to Fair Market Value may be made at the commencement of the transaction and be applicable to all dealings between the Receivable Subsidiary and the Company or such Restricted Subsidiary during the course of such transaction.

"*Foreign Holdco*" means PolyOne LLC and any other Subsidiary substantially all business and purpose of which is the holding of stock of Subsidiaries that are CFC's which shall be disclosed in writing by the Company to the Trustee as being a "Foreign Holdco" from time to time after the Issue Date and which, in all cases, do not engage in any business or activity other than: (a) the ownership of CFCs, (b) maintaining its corporate existence, (c) participating in tax, accounting and other administrative activities as the parent of a CFC, (d) the execution and delivery of any agreements or other documents related to or entered into in connection with any Credit Facilities or the performance of its obligations under any such agreement or documents, (e) the execution and delivery of this Indenture and the Note Guarantee to which it is a party and the performance of its obligations thereunder, (f) in the case of PolyOne LLC and any other Foreign Holdco existing on the Issue Date the continuation of activities being conducted by them on the Issue Date so long as there is no material change in the nature or material increase in the relative quantity of such activities thereafter and (g) activities incidental to the businesses or activities described in clauses (a) through (f) of this definition.

"*Foreign Subsidiary*" means any Restricted Subsidiary of the Company that is (1) a "controlled foreign corporation" under Section 957 of the Code or (2) a Subsidiary of an entity described in the preceding clause (1).

"*Four Quarter Period*" has the meaning set forth in the definition of "Consolidated Fixed Charge Coverage Ratio" or the definition of "Consolidated Secured Leverage Ratio," as applicable.

"*GAAP*" means generally accepted accounting principles in the United States, consistently applied, as set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are in effect as of the Issue Date.

"*Global Note Legend*" means the legend identified as such in Section 2.6(g)(2) hereto.

"*Global Notes*" means the Notes (which may be either Restricted Global Notes or Unrestricted Global Notes) in global form and registered in the name of the Depositary or its nominee that are in the form of Exhibit A attached hereto.

"*Guarantee*" means, as applied to any Debt of another Person, (i) a guarantee (other than by endorsement of negotiable instruments for collection in the normal course of business), direct or indirect, in any manner, of any part or all of such Debt, (ii) any direct or indirect obligation, contingent or otherwise, of a Person guaranteeing or having the effect of guaranteeing the Debt of any other Person in any manner and (iii) an agreement of a Person, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment (or payment of damages in the event of non-payment) of all or any part of such Debt of another Person (and "*Guaranteed*" and "*Guaranteeing*" shall have meanings that correspond to the foregoing); *provided*, *however*, that the term "Guarantee" shall not include a contractual commitment by one Person to invest in another Person for so long as such Investment is reasonably expected to constitute a Permitted Investment.

"*Guarantor*" means any Person that executes a supplemental indenture providing a Note Guarantee and a Note Guarantee in accordance with the provisions of this Indenture and its respective successors and assigns.

"*Hedging Obligations*" of any Person means the obligations of such Person pursuant to any interest rate agreement, currency agreement or commodity agreement, excluding commodity agreements relating to raw materials used in the ordinary course of the Company's business.

"*Holder*" means a Person in whose name a Note is registered in the security register.

"*Immaterial Subsidiary*" means as of any date of determination, any Subsidiary that, together with its Subsidiaries on a consolidated basis, during the twelve months preceding such date of determination accounts for (or to which may be attributed) 2.5% or less of the net income or assets (determined on a consolidated basis) of the Company and its Subsidiaries; *provided* that the aggregate consolidated income or assets for all Immaterial Subsidiaries shall not at any time exceed 5.0% of the total net income or assets of the Company and its Subsidiaries.

"*Incur*" means, with respect to any Debt or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise), assume, Guarantee or otherwise become liable in respect of such Debt or other obligation or the recording, as required pursuant to GAAP or otherwise, of any such Debt or other obligation on the balance sheet of such Person; *provided*, *however*, that a change in GAAP or an interpretation thereunder that results in an obligation of such Person that exists at such time becoming Debt shall not be deemed an Incurrence of such Debt. Debt otherwise Incurred by a Person before it becomes a Subsidiary of the Company shall be deemed to be Incurred at the time at which such Person becomes a Subsidiary of the Company. "*Incurrence*," "*Incurred*," "*Incurrable*" and "*Incurring*" shall have meanings that correspond to the foregoing. A Guarantee by the Company or a Restricted Subsidiary of Debt Incurred by the Company or a Restricted Subsidiary, as applicable, shall not be a separate Incurrence of Debt. In addition, the following shall not be deemed a separate Incurrence of Debt:

(1) amortization of debt discount or accretion of principal with respect to a non-interest-bearing or other discount security;

(2) the payment of regularly scheduled interest in the form of additional Debt of the same instrument or the payment of regularly scheduled dividends on Capital Interests in the form of additional Capital Interests of the same class and with the same terms;

(3) the obligation to pay a premium in respect of Debt arising in connection with the issuance of a notice of redemption or making of a mandatory offer to purchase such Debt; and

(4) unrealized losses or charges in respect of Hedging Obligations.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Purchasers*" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC, HSBC Securities (USA) Inc., KeyBanc Capital Markets Inc. and Moelis & Company LLC.

"*Integration Costs*" means, with respect to any acquisition, all costs relating to the integration of the acquired business or operations into the Company's, including labor costs, consulting fees, travel costs and any other expenses relating to the integration process.

"*Investment*" by any Person means any direct or indirect loan, advance, guarantee for the benefit of (or other extension of credit) or capital contribution to (by means of any transfer of cash or other property or assets to another Person or any other payments for property or services for the account or use of another Person) another Person, including, without limitation, the following: (i) the purchase or acquisition of any Capital Interest or other evidence of beneficial ownership in another Person; (ii) the purchase, acquisition or Guarantee of the Debt of another Person; and (iii) the purchase or acquisition of the business or assets of another Person substantially as an entirety but shall exclude: (a) accounts receivable and other extensions of trade credit in accordance with the Company's customary practices; (b) the acquisition of property and assets from suppliers and other vendors in the normal course of business; and (c) prepaid expenses and workers' compensation, utility, lease and similar deposits, in the normal course of business.

"*Issue Date*" means the date of original issuance of the Notes under this Indenture.

"*Issuer*" or "*Company*" has the meaning set forth in the recitals hereto until a successor replaces it in accordance with the applicable provisions of this Indenture and, thereafter, means the successor thereto.

"*Legal Holiday*" means any day that is not a Business Day.

"*Letter of Transmittal*" means the letter of transmittal to be prepared by the Company and sent to all Holders of Initial Notes or Additional Notes for use by such Holders in connection with an Exchange Offer.

"*Lien*" means, with respect to any property or other asset, any mortgage, deed of trust, deed to secure debt, pledge, hypothecation, assignment, deposit arrangement, security interest, lien (statutory or otherwise), charge, easement, encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such property or other asset (including, without limitation, any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing).

"*Moody's*" means Moody's Investors Service, Inc. and any successor to its rating agency business.

"*Net Cash Proceeds*" means, with respect to Asset Sales of any Person, cash and Eligible Cash Equivalents received, net of (i) all reasonable out-of-pocket costs and expenses of such Person incurred in connection with such a sale, including, without limitation, all legal, accounting, title and recording tax expenses, commissions and other fees and expenses incurred and all federal, state, foreign and local taxes arising in connection with such an Asset Sale that are paid or required to be accrued as a liability under GAAP by such Person; (ii) all payments made by such Person on any Debt that is secured by

such properties or other assets in accordance with the terms of any Lien upon or with respect to such properties or other assets or that must, by the terms of such Lien or such Debt, or in order to obtain a necessary consent to such transaction or by applicable law, be repaid to any other Person (other than the Company or a Restricted Subsidiary thereof) in connection with such Asset Sale; (iii) all contractually required distributions and other payments made to minority interest holders in Restricted Subsidiaries of such Person as a result of such transaction; (iv) the deduction of appropriate amounts provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the property disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale; and (v) payments of unassumed liabilities (not constituting Debt) relating to the property sold at the time of, or within 30 days after, the date of such sale; *provided*, *however*, that (a) in the event that any consideration for an Asset Sale (which would otherwise constitute Net Cash Proceeds) is required by (I) contract to be held in escrow pending determination of whether a purchase price adjustment will be made or (II) GAAP to be reserved against other liabilities in connection with such Asset Sale, such consideration (or any portion thereof) shall become Net Cash Proceeds only at such time as it is released to such Person from escrow or otherwise; and (b) any non-cash consideration received in connection with any transaction subsequently converted to cash shall become Net Cash Proceeds only at such time as it is so converted.

"*Net Leverage Ratio*" means the ratio of (a) the consolidated Debt of the Company and its Restricted Subsidiaries less unrestricted cash and Eligible Cash Equivalents of the Company and its Restricted Subsidiaries immediately preceding the date of the transaction giving rise to the need to calculate the Net Leverage Ratio to (b) the Consolidated Cash Flow Available for Fixed Charges of the Company and its Restricted Subsidiaries for the four full fiscal quarters, treated as one period, for which financial information in respect thereof is available immediately preceding the date of such transaction.

"*Non-Recourse Receivable Subsidiary Indebtedness*" has the meaning set forth in the definition of "Receivable Subsidiary."

"*Note Custodian*" means the Trustee when serving as custodian for the Depositary with respect to the Global Notes, or any successor entity thereto.

"*Note Guarantee*" means any guarantee of the Notes by any Guarantor pursuant to Section 10.1 of this Indenture.

"*Notes*" has the meaning set forth in the recitals to this Indenture.

"*Obligations*" means any principal, premium, interest (including Additional Interest, if any) and any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable state, federal or foreign law), penalties, fees, indemnifications, reimbursements (including reimbursement obligations with respect to letters of credit and banker's acceptances), damages (including Additional Interest) and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Debt.

"*Offer*" has the meaning set forth in the definition of "Offer to Purchase."

"*Offering Memorandum*" means the final offering memorandum, dated February 13, 2013, relating to the offering by the Company of Initial Notes and any future offering memorandum relating to Additional Notes.

"*Offer to Purchase*" means a written offer (the "*Offer*") sent by the Company, with a copy to the Trustee, by first class mail, postage prepaid, to each Holder at its address appearing in the Note Register on the date of the Offer, offering to purchase up to the aggregate principal amount of Notes set forth in such Offer at the purchase price set forth in such Offer (as determined pursuant to this Indenture). Unless otherwise required by applicable law, the offer shall specify an expiration date (the "*Expiration Date*") of the Offer to Purchase which shall be, subject to any contrary requirements of applicable law, not less than 30 days or more than 60 days after the date of mailing of such Offer and a settlement date (the "*Purchase Date*") for purchase of Notes within five Business Days after the Expiration Date and, in connection with a Change of Control, such Purchase Date may be no earlier than the date of the consummation of the Change of Control. The Company shall notify the Trustee at least 15 days (or such shorter period as is acceptable to the Trustee) prior to the mailing of the Offer of the Company's obligation to make an Offer to Purchase, and the Offer shall be mailed by first class mail (or, to the extent permitted or required by the Applicable Procedures, sent electronically) by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company. The Offer shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase. The Offer shall also state:

(1) the section of this Indenture pursuant to which the Offer to Purchase is being made;

(2) the Expiration Date and the Purchase Date;

(3) the aggregate principal amount of the outstanding Notes offered to be purchased pursuant to the Offer to Purchase (including, if less than 100%, the manner by which such amount has been determined pursuant to Indenture covenants requiring the Offer to Purchase) (the "*Purchase Amount*");

(4) the purchase price to be paid by the Company for each $2,000 principal amount of Notes (and integral multiples of $1,000 in excess thereof) accepted for payment (as specified pursuant to this Indenture) (the "*Purchase Price*");

(5) that the Holder may tender all or any portion of the Notes registered in the name of such Holder and that any portion of a Note tendered must be tendered in a minimum amount of $2,000 principal amount (and integral multiples of $1,000 in excess thereof);

(6) the place or places where Notes are to be surrendered for tender pursuant to the Offer to Purchase, if applicable;

(7) that, unless the Company defaults in making such purchase, any Note accepted for purchase pursuant to the Offer to Purchase will cease to accrue interest on and after the Purchase Date, but that any Note not tendered or tendered but not purchased by the Company pursuant to the Offer to Purchase will continue to accrue interest at the same rate;

(8) that, on the Purchase Date, the Purchase Price will become due and payable upon each Note tendered and accepted for payment pursuant to the Offer to Purchase;

(9) that each Holder electing to tender a Note pursuant to the Offer to Purchase will be required to surrender such Note or cause such Note to be surrendered at the place or places set forth in the Offer prior to the close of business on the Expiration Date (such Note being, if the Company or the Trustee so requires, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) (or if the Note is a Global Note, pursuant to the Applicable Procedures of the Depositary);

(10) that Holders will be entitled to withdraw all or any portion of Notes tendered if the Company (or its paying agent) receives, not later than the close of business on the Expiration Date, a facsimile transmission or letter setting forth the name of the Holder, the aggregate principal amount of the Notes the Holder tendered, the certificate number of the Note the Holder tendered and a statement that such Holder is withdrawing all or a portion of his tender (or if the Note is a Global Note, pursuant to the Applicable Procedures of the Depositary);

(11) that (a) if Notes having an aggregate principal amount less than or equal to the Purchase Amount are duly tendered and not withdrawn pursuant to the Offer to Purchase, the Company shall purchase all such Notes and (b) if Notes having an aggregate principal amount in excess of the Purchase Amount are tendered and not withdrawn pursuant to the Offer to Purchase, the Company shall purchase Notes having an aggregate principal amount equal to the Purchase Amount on a *pro rata* basis (or if a Global Note, by Applicable Procedures), with such adjustments as may be deemed appropriate so that only Notes in denominations of $2,000 principal amount or integral multiples of $1,000 in excess thereof shall be purchased); and

(12) if applicable, that, in the case of any Holder whose Note is purchased only in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Note without service charge, a new Note or Notes, of any authorized denomination as requested by such Holder, in the aggregate principal amount equal to and in exchange for the unpurchased portion of the aggregate principal amount of the Notes so tendered (or if a Global Note, an adjustment shall be made on the Schedule of Exchanges of Interest attached thereto).

"*Officer*" means, with respect to any Person, the chairman of the board, the chief executive officer, the president, the chief operating officer, the chief financial officer, the treasurer, any assistant treasurer, the controller, the secretary or any vice president of such Person.

"*Officer's Certificate*" means a certificate signed by the chairman of the board, the chief executive officer, the president, the chief operating officer, the chief financial officer, the treasurer, any assistant treasurer, the controller, the secretary or any vice president.

"*Opinion of Counsel*" means a written opinion of legal counsel delivered to the Trustee, who may be an employee of or counsel to the Company, or other counsel who is reasonably acceptable to the Trustee.

"*Participant*" means, with respect to DTC, a Person who has an account with DTC.

"*Participating Broker-Dealer*" has the meaning set forth in a corresponding Registration Rights Agreement.

"*Paying Agent*" means any Person authorized by the Issuer to pay the principal of, premium, if any, or interest on, or redemption, purchase, retirement, defeasance, covenant defeasance or similar payment with respect to, any Notes on behalf of the Issuer.

"*Permitted Business*" means any business similar in nature to any business conducted by the Company and the Restricted Subsidiaries on the Issue Date and any business reasonably ancillary, incidental, complementary or related to, or a reasonable extension, development or expansion of, the business conducted by the Company and the Restricted Subsidiaries on the Issue Date, in each case, as determined in good faith by the Company.

"*Permitted Debt*" means:

(i) Debt Incurred pursuant to any Credit Facilities in an aggregate principal amount not to exceed at any one time outstanding the greater of (A) $550.0 million and (B) the sum of (1) 50% of the book value of the inventory of the Company and its Restricted Subsidiaries and (2) 75% of the accounts receivable of the Company and its Restricted Subsidiaries, minus, without duplication, any amounts Incurred and outstanding pursuant to a Qualified Receivables Transaction permitted under clause (xvi) below, in each case determined on a consolidated basis as of the most recently ended fiscal quarter of the Company for which financial information in respect thereof is available;

(ii) Debt under (a) the Notes issued on the Issue Date (including the Exchange Notes issued in exchange therefor), (b) the 2015 Notes outstanding on the Issue Date and (c) the 2020 Notes issued outstanding on the Issue Date and, in each case, the contribution, indemnification and reimbursement obligations owed by the Company or any Guarantor to any of the other of them in respect of amounts paid or payable on such Notes or 2020 Notes, as applicable;

(iii) Guarantees of (a) the Notes (including the Note Guarantees related to the Exchange Notes) and (b) the 2020 Notes;

(iv) Debt of the Company or any Restricted Subsidiary outstanding on the Issue Date (other than (A) clause (i), (ii) or (iii) above and (B) Debt being repaid with the proceeds of the offering of the Initial Notes issued on the Issue Date);

(v) Debt owed to and held by the Company or a Restricted Subsidiary;

(vi) Guarantees Incurred by the Company of Debt of a Restricted Subsidiary otherwise permitted to be Incurred under this Indenture;

(vii) Guarantees by any Restricted Subsidiary of Debt of the Company or any Restricted Subsidiary, including Guarantees by any Restricted Subsidiary of Debt under the Credit Agreements, *provided* that (a) such Debt is Permitted Debt or is otherwise Incurred in accordance with Section 4.9 hereof and (b) such Guarantees are subordinated to the Notes to the same extent as the Debt being Guaranteed;

(viii) Debt Incurred in respect of workers' compensation claims and self-insurance obligations, and, for the avoidance of doubt, indemnity, bid, performance, warranty, release, appeal, surety and similar bonds, standby letters of credit, letters of credit for operating purposes and completion guarantees provided or Incurred (including Guarantees thereof) by the Company or a Restricted Subsidiary in the ordinary course of business;

(ix) Debt under Swap Contracts and Hedging Obligations;

(x) Debt owed by the Company to any Restricted Subsidiary, or by any Restricted Subsidiary to the Company or to any other Restricted Subsidiary, *provided* that if for any reason such Debt ceases to be held by the Company or a Restricted Subsidiary, as applicable, such Debt shall cease to be Permitted Debt and shall be deemed Incurred as Debt of the Company for purposes of this Indenture;

(xi) Debt of the Company or any Restricted Subsidiary pursuant to Capital Lease Obligations, Synthetic Lease Obligations and Purchase Money Debt, provided that the aggregate principal amount of such Debt outstanding at any time may not exceed the greater of (x) $175.0 million in the aggregate and (y) 6.0% of Consolidated Total Assets;

(xii) Debt arising from agreements of the Company or a Restricted Subsidiary providing for indemnification, contribution, earnout, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Interests of a Restricted Subsidiary otherwise permitted under this Indenture;

(xiii) the issuance by any of the Company's Restricted Subsidiaries to the Company or to any of its Restricted Subsidiaries of shares of Preferred Interests; *provided*, *however*, that:

(a) any subsequent issuance or transfer of Capital Interests that results in any such Preferred Interests being held by a Person other than the Company or a Restricted Subsidiary; and

(b) any sale or other transfer of any such Preferred Interests to a Person that is not either the Company or a Restricted Subsidiary;

shall be deemed, in each case, to constitute an issuance of such Preferred Interests by such Restricted Subsidiary that was not permitted by this clause (xiii);

(xiv) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided*, *however*, that such Debt is extinguished within five Business Days of Incurrence;

(xv) Debt of the Company or any Restricted Subsidiary not otherwise permitted pursuant to this definition, in an aggregate principal amount not to exceed $100.0 million at any one time outstanding;

(xvi) Purchase Money Notes Incurred by any Receivable Subsidiary that is a Restricted Subsidiary in a Qualified Receivables Transaction and Non-Recourse Receivable Subsidiary Indebtedness;

(xvii) Debt of the Company to the extent the net proceeds thereof are promptly deposited to defease the Notes under Article VIII;

(xviii) Guarantees in the ordinary course of business of the obligations of suppliers, customers, franchisees and licensees of the Company or any of its Restricted Subsidiaries;

(xix) Debt consisting of take-or-pay obligations on customary business terms contained in supply agreements entered into in the ordinary course of business;

(xx) Refinancing Debt with respect to Debt Incurred or outstanding pursuant to clauses (ii), (iv), this clause (xx) and (xxi); and

(xxi) Debt of the Acquired Business outstanding on the date of the consummation of the Target Acquisition, including, without limitation, the Acquired Business' Debt in connection with industrial revenue bonds.

Notwithstanding anything herein to the contrary, Debt permitted under clauses (i), (xi) and (xv) of this definition of "Permitted Debt" shall not constitute "Refinancing Debt" under clause (xx) of this definition of "Permitted Debt."

"Permitted Investments" means:

(a) Investments in existence on the Issue Date and any extensions or replacements thereof on terms no less favorable and in amounts no greater than exist on the Issue Date;

(b) Investments in cash and Eligible Cash Equivalents;

(c) Investments in property and other assets, owned or used by the Company or any Restricted Subsidiary in the normal course of business;

(d) prepaid expenses, negotiable instruments held for collection, lease, utility, workers' compensation, performance and other similar deposits provided to third parties in the ordinary course of business;

(e) Investments by the Company or any of its Restricted Subsidiaries in the Company or any Restricted Subsidiary, including, for the avoidance of doubt, the Target Acquisition;

(f) Investments by the Company or any Restricted Subsidiary in a Person, if as a result of such Investment (A) such Person becomes a Restricted Subsidiary or (B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated or wound-up into, the Company or a Restricted Subsidiary;

(g) Swap Contracts and Hedging Obligations;

(h) receivables owing to the Company or any of its Subsidiaries 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;

(i) Investments received in settlement of obligations owed to the Company or any Restricted Subsidiary and as a result of bankruptcy or insolvency proceedings or upon the foreclosure or enforcement of any Lien in favor of the Company or any Restricted Subsidiary;

(j) Investments by the Company or any Restricted Subsidiary not otherwise permitted under this definition, in an aggregate amount not to exceed the greater of (x) $100.0 million and (y) 3.5% of Consolidated Total Assets at any one time outstanding;

(k) loans (and Guarantees of third-party loans) and advances to officers, directors and employees of the Company and Subsidiaries in an aggregate amount not to exceed $10.0 million in the aggregate at any one time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes;

(l) Investments the payment for which consists solely of Capital Interests of the Company;

(m) any Investment in any Person to the extent such Investment represents the non-cash portion of the consideration received in connection with an Asset Sale consummated in compliance with Section 4.10 or any other disposition of Property not constituting an Asset Sale;

(n) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business and consistent with past practice;

(o) Guarantees by the Company or any Restricted Subsidiary of Debt of the Company or a Restricted Subsidiary (other than a Receivables Subsidiary) of Debt otherwise permitted by Section 4.9;

(p) any Investment by the Company or any Restricted Subsidiary in a Receivable Subsidiary or any Investment by a Receivable Subsidiary in any other Person in connection with a Qualified Receivables Transaction, so long as any Investment in a Receivable Subsidiary is in the form of a Purchase Money Note or an Investment in Capital Interests;

(q) loans or advances to customers or suppliers in the ordinary course of business; and

(r) Investments in any Person made in exchange for, out of the net cash proceeds of the substantially concurrent sale of, Capital Interests of the Company (other than Redeemable Capital Interests).

"*Permitted Liens*" means:

(a) Liens existing at the Issue Date (other than Liens securing the Credit Agreements);

(b) Liens that secure (i) Credit Facilities incurred pursuant to clause (i) of the definition of "Permitted Debt" and/or the provisions described in the first paragraph of Section 4.9 in an aggregate principal amount not to exceed the greater of (x) the greater of (A) $550.0 million and (B) the sum of (1) 50% of the book value of the inventory of the Company and its Restricted Subsidiaries and (2) 75% of the accounts receivable of the Company and its Restricted Subsidiaries, minus, without duplication, any amounts Incurred and outstanding pursuant to a Qualified Receivables Transaction permitted under clause (xvi) of the definition of "Permitted Debt," in each case determined on a consolidated basis as of the most recently ended fiscal quarter of the Company for which financial information in respect thereof is available, and (y) an amount that does not cause the Consolidated Secured Leverage Ratio on a *pro forma* basis (such calculation to assume, for the purpose of this clause (b), that debt capacity under any revolving credit facility is fully drawn) to exceed 2.75 to 1.00, (ii) Hedging Obligations and Swap Contracts relating to such Credit Facilities and permitted under the agreements related thereto and (iii) fees, expenses and other amounts payable under such Credit Facilities or payable pursuant to cash management agreements or agreements with respect to similar banking services relating to such Credit Facilities and permitted under the agreements related thereto;

(c) any Lien for taxes or assessments or other governmental charges or levies not then due and payable (or which, if due and payable, are being contested in good faith and for which adequate reserves are being maintained, to the extent required by GAAP);

(d) any warehousemen's, materialmen's, landlord's or other similar Liens arising by law for sums not then due and payable (or which, if due and payable, are being contested in good faith and with respect to which adequate reserves are being maintained, to the extent required by GAAP);

(e) survey exceptions, encumbrances, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other similar restrictions as to the use of real properties or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which do not individually or in the aggregate materially adversely affect the value of the Company or materially impair the operation of the business of such Person;

(f) pledges or deposits (i) in connection with workers' compensation, unemployment insurance and other types of statutory obligations or the requirements of any official body; (ii) to secure the performance of tenders, bids, surety or performance bonds, leases, purchase, construction, sales or servicing contracts (including utility contracts) and other similar obligations Incurred in the normal course of business consistent with industry practice; (iii) to obtain or secure obligations with respect to letters of credit, Guarantees, bonds or other sureties or assurances given in connection with the activities described in clauses (i) and (ii) above, in each case not Incurred or made in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of property or services or imposed by ERISA or the Code in connection with a "plan" (as defined in ERISA); or (iv) arising in connection with any attachment unless such Liens shall not be satisfied or discharged or stayed pending appeal within 60 days after the entry thereof or the expiration of any such stay;

(g) Liens on property or assets existing at the time of acquisition thereof; *provided* that such Liens are not extended to the property and assets of the Company and its Restricted Subsidiaries other than the property or assets acquired;

(h) Liens on property or assets of a Person existing at the time such Person is merged with or into or consolidated with the Company or a Restricted Subsidiary, or becomes a Restricted Subsidiary (and not created or Incurred in anticipation of such transaction); *provided* that such Liens are not extended to the property and assets of the Company and its Restricted Subsidiaries other than the property or assets acquired;

(i) Liens securing Debt of a Restricted Subsidiary owed to and held by the Company or a Restricted Subsidiary thereof;

(j) for the avoidance of doubt, other Liens (not securing Debt) incidental to the conduct of the business of the Company or any of its Restricted Subsidiaries, as the case may be, or the ownership of their assets which do not individually or in the aggregate materially adversely affect the value of the Company or materially impair the operation of the business of the Company or its Restricted Subsidiaries;

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

(l) licenses of intellectual property granted in the ordinary course of business;

(m) Liens to secure Capital Lease Obligations, Synthetic Lease Obligations and Purchase Money Debt permitted to be Incurred pursuant to clause (xi) of the definition of "Permitted Debt"; *provided* that such Liens do not extend to or cover any assets other than such assets acquired or constructed after the Issue Date with the proceeds of such Capital Lease Obligation, Synthetic Lease Obligation or Purchase Money Debt;

(n) Liens in favor of the Company or any Guarantor;

(o) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligation in respect of banker's acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(p) Liens securing Debt Incurred to finance the construction, purchase or lease of, or repairs, improvements or additions to, property, plant or equipment of such Person; *provided*, *however*, that the Lien may not extend to any property owned by such Person or any of its Restricted Subsidiaries at the time the Lien is Incurred (other than assets and property affixed or appurtenant thereto and any proceeds thereof), and the Debt (other than any interest thereon) secured by the Lien may not be Incurred more than 180 days after the later of the acquisition, completion of construction, repair, improvement, addition or commencement of full operation of the property subject to the Lien;

(q) Liens on property or shares of Capital Interests of another Person at the time such other Person becomes a Subsidiary of such Person; *provided*, *however*, that (i) the Liens may not extend to any other property owned by such Person or any of its Restricted Subsidiaries (other than assets and property affixed or appurtenant thereto and any proceeds thereof) and (ii) such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming such a Restricted Subsidiary;

(r) Liens (i) that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of Debt, (B) relating to pooled deposit or sweep accounts of the Company or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations and other cash management activities incurred in the ordinary course of business of the Company and/or any of its Restricted Subsidiaries or (C) relating to purchase orders and other agreements entered into with customers of the Company or any of its Restricted Subsidiaries in the ordinary course of business and (ii) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (Y) encumbering reasonable customary initial deposits and margin deposits and attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business, and (Z) in favor of banking institutions arising as a matter of law or pursuant to customary account agreements encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking industry;

(s) Liens created by or resulting from any litigation or other proceedings which is being contested in good faith by appropriate proceedings, including Liens arising out of judgments or awards against the Company or any Restricted Subsidiary with respect to which the Company or such Restricted Subsidiary is in good faith prosecuting an appeal or proceedings for review or for which the time to make an appeal has not yet expired; or final unappealable judgment Liens which are satisfied within 15 days of the date of judgment; or Liens Incurred by the Company or any Restricted Subsidiary for the purpose of obtaining a stay or discharge in the course of any litigation or other proceeding to which the Company or such Restricted Subsidiary is a party;

(t) leases, subleases, licenses or sublicenses granted to others in the ordinary course of business which do not materially interfere with the ordinary conduct of the business of the Company or any Restricted Subsidiaries and do not secure any Debt;

(u) any interest of title of an owner of equipment or inventory on loan or consignment to the Company or any of its Restricted Subsidiaries and Liens arising from Uniform Commercial Code financing statement filings regarding operating leases entered into by the Company or any Restricted Subsidiary in the ordinary course of business;

(v) deposits in the ordinary course of business to secure liability to insurance carriers;

(w) Liens securing the (i) Notes and the Note Guarantees (including the Exchange Notes and related Notes Guarantees issued pursuant to the Registration Rights Agreement), (ii) the 2015 Notes, (iii) the 2020 Notes and 2020 Notes Guarantees and (iv) the SunBelt Guarantee;

(x) Liens on the Capital Interests of a Receivables Subsidiary and accounts receivable and related assets described in the definition of Qualified Receivables Transaction, in each case, Incurred in connection with a Qualified Receivables Transaction;

(y) Liens securing Hedging Obligations and Swap Contracts so long as any related Debt is permitted to be Incurred under this Indenture;

(z) options, put and call arrangements, rights of first refusal and similar rights relating to Investments in joint ventures, partnerships and the like permitted to be made under this Indenture;

(aa) Liens attaching to earnest money deposits (or equivalent deposits otherwise named) made in connection with proposed acquisitions in an amount not to exceed $5.0 million;

(bb) (i) set-off rights not otherwise set forth in clause (r) above, or (ii) Liens arising in connection with repurchase agreements that constitute Investments;

(cc) Liens not otherwise permitted under this Indenture in an aggregate amount not to exceed $75.0 million;

(dd) Liens on property or assets of the Company or any Restricted Subsidiary in favor of the United States of America, any state thereof or any instrumentality of either to secure certain payments pursuant to any contract or statute;

(ee) Liens to secure any permitted extension, renewal, refinancing or refunding (or successive extensions, renewals, refinancings or refundings), in whole or in part, of any Debt secured by Liens referred to above; *provided* that such Liens do not extend to any other property or assets and the principal amount of the obligations secured by such Liens is not increased; and

(ff) Liens securing Debt of the Acquired Business outstanding on the date of the consummation of the Target Acquisition.

"*Person*" means any individual, corporation, limited liability company, partnership, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

"*Preferred Interests*," as applied to the Capital Interests in any Person, means Capital Interests in such Person of any class or classes (however designated) that rank prior, as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation, dissolution or winding up of such Person, to shares of Common Interests in such Person.

"*Private Placement Legend*" means the legend set forth in Section 2.6(g)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Purchase Amount*" has the meaning set forth in the definition of "Offer to Purchase."

"*Purchase Date*" has the meaning set forth in the definition of "Offer to Purchase."

"*Purchase Money Debt*" means Debt:

(i) Incurred to finance the purchase or construction (including additions and improvements thereto) of any assets (other than Capital Interests) of such Person or any Restricted Subsidiary; and

(ii) that is secured by a Lien on such assets where the lender's sole security is to the assets so purchased or constructed; and

in either case that does not exceed 100% of the cost and to the extent the purchase or construction prices for such assets are or should be included in "addition to property, plant or equipment" in accordance with GAAP.

"*Purchase Money Note*" means a promissory note of a Receivable Subsidiary to the Company or any Restricted Subsidiary, which note must be repaid from cash available to the Receivable Subsidiary, other than amounts required to be established as reserves pursuant to agreements, amounts paid to investors in respect of interest, principal and other amounts owing to such investors and amounts paid in connection with the purchase of newly generated receivables. The repayment of a Purchase Money Note may be subordinated to the repayment of other liabilities of the Receivable Subsidiary on terms determined in good faith by the Company to be substantially consistent with market practice in connection with Qualified Receivables Transactions.

"*Purchase Price*" has the meaning set forth in the definition of "Offer to Purchase."

"*Qualified Capital Interests*" in any Person means a class of Capital Interests other than Redeemable Capital Interests.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Qualified Receivables Transaction*" means any transaction or series of transactions entered into by the Company or any of its Restricted Subsidiaries pursuant to which the Company or such Restricted Subsidiary transfers to (a) a Receivable Subsidiary (in the case of a transfer by the Company or any of its Restricted Subsidiaries) or (b) any other Person (in the case of a transfer by a Receivable Subsidiary), or grants a security interest in, any accounts receivable (whether now existing or arising in the future) of the Company or any of its Restricted Subsidiaries, and any assets related thereto, including,

without limitation, all collateral securing such accounts receivable, all contracts and all Guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with an accounts receivable financing transaction; *provided* such transaction is on market terms as determined in good faith by the Company at the time the Company or such Restricted Subsidiary enters into such transaction.

"*Receivable Subsidiary*" means a Subsidiary of the Company:

(1) that is formed solely for the purpose of, and that engages in no activities other than activities in connection with, financing accounts receivable of the Company and/or its Restricted Subsidiaries; *provided* that "accounts receivable" includes providing letters of credit on behalf of or for the benefit of the Company and/or its Restricted Subsidiaries;

(2) that is designated by the Board of Directors as a Receivable Subsidiary pursuant to an Officer's Certificate that is delivered to the Trustee;

(3) that is either (a) a Restricted Subsidiary or (b) an Unrestricted Subsidiary designated in accordance with Section 4.17;

(4) no portion of the Debt or any other obligation (contingent or otherwise) of which (a) is at any time Guaranteed by the Company or any Restricted Subsidiary (excluding Guarantees of obligations (other than any Guarantee of Debt) pursuant to Standard Securitization Undertakings), (b) is at any time recourse to or obligates the Company or any Restricted Subsidiary in any way, other than pursuant to Standard Securitization Undertakings or (c) subjects any asset of the Company or any other Restricted Subsidiary of the Company, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings (such Debt, "*Non-Recourse Receivable Subsidiary Indebtedness*");

(5) with which neither the Company nor any Restricted Subsidiary has any material contract, agreement, arrangement or understanding other than (a) contracts, agreements, arrangements and understandings entered into in the ordinary course of business on terms no less favorable to the Company or such Restricted Subsidiary than those that might reasonably be expected to be obtained at the time from Persons that are not Affiliates of the Company in connection with a Qualified Receivables Transaction as determined in good faith by the Board of Directors of the Company, (b) fees payable in the ordinary course of business in connection with servicing accounts receivable in connection with such a Qualified Receivables Transaction as determined in good faith by the Board of Directors of the Company and (c) any Purchase Money Note issued by such Receivable Subsidiary to the Company or a Restricted Subsidiary or any letters of credit provided by such Receivable Subsidiary on behalf of or for the benefit of the Company or any Restricted Subsidiary; and

(6) with respect to which neither the Company nor any other Restricted Subsidiary has any obligation (a) to subscribe for additional shares of Capital Interests therein or make any additional capital contribution or similar payment or transfer thereto except in connection with a Qualified Receivables Transaction or (b) to maintain or preserve the solvency or any balance sheet term, financial condition, level of income or results of operations thereof.

"*Redeemable Capital Interests*" in any Person means any equity security of such Person that by its terms (or by terms of any security into which it is convertible or for which it is exchangeable), or otherwise (including the passage of time or the happening of an event), is required to be redeemed, is redeemable at the option of the holder thereof in whole or in part (including by operation of a sinking fund), or is convertible or exchangeable for Debt of such Person at the option of the holder thereof, in whole or in part, at any time prior to the Stated Maturity of the Notes; *provided* that only the portion of such equity security which is required to be redeemed, is so convertible or exchangeable or is so redeemable at the option of the holder thereof before such date will be deemed to be Redeemable Capital Interests. Notwithstanding the preceding sentence, any equity security that would constitute Redeemable Capital Interests solely because the holders of the equity security have the right to require the Company to repurchase such equity security upon the occurrence of a Change of Control or an Asset Sale will not constitute Redeemable Capital Interests if the terms of such equity security provide that the Company may not repurchase or redeem any such equity security pursuant to such provisions unless such repurchase or redemption complies with Section 4.7. The amount of Redeemable Capital Interests deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Redeemable Capital Interests or portion thereof, exclusive of accrued dividends.

"*Redemption Price*," when used with respect to any Note to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

"*Refinancing Debt*" means Debt that refunds, refinances, renews, replaces or extends any Debt permitted to be Incurred by the Company or any Restricted Subsidiary pursuant to the terms of this Indenture, whether involving the same or any other lender or creditor or group of lenders or creditors, but only to the extent that:

(i) the Refinancing Debt is subordinated to the Notes to at least the same extent as the Debt being refunded, refinanced, renewed, replaced or extended, if such Debt was subordinated to the Notes,

(ii) the Refinancing Debt is scheduled to mature either (a) no earlier than the Debt being refunded, refinanced, renewed, replaced or extended or (b) at least 91 days after the maturity date of the Notes,

(iii) the Refinancing Debt has an Average Life at the time such Refinancing Debt is Incurred that is equal to or greater than the Average Life of the Debt being refunded, refinanced, renewed, replaced or extended,

(iv) such Refinancing Debt is in an aggregate principal amount that is less than or equal to the sum of (a) the aggregate principal or accreted amount (in the case of any Debt issued with original issue discount, as such) then outstanding under the Debt being refunded, refinanced, renewed, replaced or extended, (b) the amount of accrued and unpaid interest, if any, and premiums owed, if any, not in excess of preexisting prepayment provisions on such Debt being refunded, refinanced, renewed, replaced or extended and (c) the amount of reasonable and customary fees, expenses and costs related to the Incurrence of such Refinancing Debt, and

(v) such Refinancing Debt is Incurred by the same Person (or its successor) that initially Incurred the Debt being refunded, refinanced, renewed, replaced or extended, except that the Company may Incur Refinancing Debt to refund, refinance, renew, replace or extend Debt of any Restricted Subsidiary of the Company.

"*Registration Rights Agreement*" means (i) the registration rights agreement dated as of the Issue Date among the Company and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative for the Initial Purchasers and (ii) any other registration rights agreement entered into in connection with an issuance of Additional Notes in a private offering after the Issue Date.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a global Note in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

"*Related Business Assets*" means assets (other than cash or Eligible Cash Equivalents) used or useful in a Permitted Business; *provided* that any assets received by the Company or a Restricted Subsidiary in exchange for assets transferred by the Company or a Restricted Subsidiary shall not be deemed to be Related Business Assets if they consist of securities of a Person unless, upon receipt of the securities of such Person, such Person would become a Restricted Subsidiary.

"*Responsible Officer*" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers and who shall have direct responsibility for the administration of this Indenture, respectively, or any other officer of the Trustee to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Payment*" is defined to mean any of the following:

(a) any dividend or other distribution declared and paid on the Capital Interests in the Company or on the Capital Interests in any Restricted Subsidiary of the Company that are held by, or declared and paid to, any Person other than the Company or a Restricted Subsidiary of the Company (other than (i) dividends, distributions or payments made solely in Qualified Capital Interests in the Company and (ii) dividends or distributions payable to the Company or a Restricted Subsidiary of the Company or to other holders of Capital Interests of a Restricted Subsidiary on a *pro rata* basis);

(b) any payment made by the Company or any of its Restricted Subsidiaries to purchase, redeem, acquire or retire any Capital Interests in the Company (including the conversion into, or exchange for, Debt, of any Capital Interests) other than any such Capital Interests owned by the Company or any Restricted Subsidiary (other than a payment made solely in Qualified Capital Interests in the Company);

(c) any payment made by the Company or any of its Restricted Subsidiaries (other than a payment made solely in Qualified Capital Interests in the Company) to redeem, repurchase, defease (including an in substance or legal defeasance) or otherwise acquire or retire for value (including pursuant to mandatory repurchase covenants), prior to any scheduled maturity, scheduled sinking fund or mandatory redemption payment, Debt of the Company or any Guarantor that is subordinate in right of payment to the Notes or Note Guarantees (excluding any Debt owed to the Company or any Restricted Subsidiary); except payments of principal and interest in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, within one year of the due date thereof;

(d) any Investment by the Company or a Restricted Subsidiary in any Person, other than a Permitted Investment; and

(e) any designation of a Restricted Subsidiary as an Unrestricted Subsidiary.

"*Restricted Period*" means the 40-day distribution compliance period as set forth in Regulation S.

"*Restricted Subsidiary*" means any Subsidiary that has not been designated as an "Unrestricted Subsidiary" in accordance with this Indenture.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 144A Global Note*" means the Global Note in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of Notes sold in reliance on Rule 144A.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"*S&P*" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and any successor to its rating agency business.

"*Sale and Leaseback Transaction*" means any direct or indirect arrangement pursuant to which property is sold or transferred by the Company or a Restricted Subsidiary and is thereafter leased back as a capital lease by the Company or a Restricted Subsidiary.

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

"*Significant Subsidiary*" has the meaning set forth in Rule 1-02 of Regulation S-X under the Securities and Exchange Act, but shall not include any Unrestricted Subsidiary.

"*Shelf Registration Statement*" has the meaning set forth in a corresponding Registration Rights Agreement.

"*Standard Securitization Undertakings*" means representations, warranties, covenants and indemnities entered into by the Company or any Restricted Subsidiary which are reasonably customary in an accounts receivable securitization transaction as determined in good faith by the Company, including Guarantees by the Company or any Restricted Subsidiary of any of the foregoing obligations of the Company or a Restricted Subsidiary.

"*Stated Maturity*," when used with respect to (i) any Note or any installment of interest thereon, means the date specified in such Note as the fixed date on which the principal amount of such Note or such installment of interest is due and payable and (ii) any other Debt or any installment of interest thereon, means the date specified in the instrument governing such Debt as the fixed date on which the principal of such Debt or such installment of interest is due and payable.

"*Subsidiary*" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person.

"*SunBelt Guarantee*" means the Guarantee by the Company of obligations under the Guaranteed Secured Senior Notes due 2017, Series G of SunBelt Chlor Alkali Partnership pursuant to a Guarantee dated December 22, 1997 by the Company, as in effect on the Issue Date, terminating on December 22, 2017 or satisfaction of such obligations, whichever is earlier.

"*Successor Entity*" means a corporation or other entity that succeeds to and continues the business of PolyOne Corporation.

"*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, without limitation, any fuel price caps and fuel price collar or floor agreements and similar agreements or arrangements designed to protect against or manage fluctuations in fuel prices and 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.

"*Synthetic Lease Obligations*" means any monetary obligation of a Person under (i) a so-called synthetic, off-balance sheet or tax retention lease, or (ii) 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 bankruptcy or insolvency laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"*Target*" means Spartech Corporation, a Delaware corporation.

"*Target Acquisition*" means the acquisition of all of the Equity Interests of Target pursuant to the Target Acquisition Agreement.

"*Target Acquisition Agreement*" means the Agreement and Plan of Merger dated as of October 23, 2012 among the Company, RedHawk, Inc., a Delaware corporation and wholly-owned subsidiary of Company, 2012 RedHawk, LLC, a Delaware limited liability company and wholly-owned subsidiary of Company, and Target.

"*Term Credit Agreement*" means the Company's credit agreement, with respect to the senior secured term loan credit facility entered into as of January 3, 2008, by and among the Company, certain subsidiaries of the Company party thereto, the lenders party thereto, and Bank of America, N.A., Inc., as administrative agent, together with all related notes, collateral documents, guarantees, and any other related agreements and instruments executed and delivered in connection therewith, in each case as amended, modified, supplemented, restated, refinanced, refunded or replaced in whole or in part (including by sales of debt securities) from time to time including by or pursuant to any agreement or instrument (including an indenture) that extends the maturity of any Debt thereunder, or increases the amount of available borrowings thereunder, or adds Subsidiaries of the Company as additional borrowers or guarantors thereunder, in each case with respect to such agreement or any successor or replacement agreement and whether by the same or any other agent, lender, group of lenders, purchasers or debt holders.

"*TIA*" means the Trust Indenture Act of 1939 (15 U.S. Code §§ 77aaa-77bbbb), as amended, as in effect on the date hereof, and, to the extent required by law, as thereafter amended, and except as provided in Section 9.3.

"*Transaction Date*" has the meaning set forth in the definition of "Consolidated Fixed Charge Coverage Ratio" or the definition of "Consolidated Secured Leverage Ratio", as applicable.

"*Transactions*" means (i) the Target Acquisition, (ii) the offering of the Initial Notes, (iii) the repayment or redemption of certain Debt of the Acquired Business, (iv) the assumption of certain Debt of the Acquired Business and (v) the issuance of the Company's common stock in connection with the Target Acquisition.

"*Treasury Rate*" means the yield to maturity at the date of redemption of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days prior to the date of redemption (or, if such Statistical Release is no longer published, any publicly available source for similar market data)) most nearly equal to the period from the redemption date to March 15, 2023; *provided*, *however*, that if the period from the redemption date to March 15, 2023 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate will be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the then remaining term of the Notes to March 15, 2023 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Trustee*" has the meaning set forth in the recitals to this Indenture until a successor replaces it in accordance with the applicable provisions of this Indenture and, thereafter, means the successor.

"*Unrestricted Definitive Note*" means one or more Definitive Notes that do not bear and are not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a permanent Global Note in the form of Exhibit A attached hereto that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, and that is deposited with or on behalf of and registered in the name of the Depositary, representing Notes that do not bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means:

(a) any Subsidiary designated as such by an Officer's Certificate as set forth below where neither the Company nor any of its Restricted Subsidiaries (i) provides credit support for, or Guarantee of, any Debt of such Subsidiary or any Subsidiary of such Subsidiary (including any undertaking, agreement or instrument evidencing such Debt, but excluding in the case of a Receivable Subsidiary any Standard Securitization Undertakings and further excluding other Debt under which the lender has recourse to the Company or any Restricted Subsidiary or to any of their assets that does not exceed $15.0 million in the aggregate), *provided* that the Company or any Restricted Subsidiary may pledge Capital Interests or Property of any Unrestricted Subsidiary on a non-recourse basis as long as the pledgee has no claim whatsoever against the Company or any Restricted Subsidiary other than to obtain that pledged Capital Interests or Property, or (ii) is directly or indirectly liable for any Debt of such Subsidiary or any Subsidiary of such Subsidiary (except in the case of a Receivable Subsidiary any Standard Securitization Undertakings); and

(b) any Subsidiary of an Unrestricted Subsidiary.

"*Voting Interests*" means, with respect to any Person, securities of any class or classes of Capital Interests in such Person entitling the holders thereof generally to vote on the election of members of the Board of Directors or comparable body of such Person.

SECTION 1.2 Other Definitions.

Term	Defined in Section
"Affiliate Transaction"	4.11
"Change of Control Offer"	4.14
"Change of Control Payment"	4.14
"covenant defeasance"	8.3
"covenant reinstatement" and "covenant suspension"	4.19
"defeasance"	8.2
"Discharge"	11.1
"Event of Default"	6.1
"Excess Proceeds"	4.10
"Expiration Date"	3.9
"Initial Liens"	4.12
"Note Register"	2.3
"Offer Amount"	3.9
"Purchase Date"	3.9
"redemption date"	3.1
"Registrar"	2.3
"Surviving Entity"	5.1

SECTION 1.3 Incorporation by Reference of Trust Indenture Act. Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in, and made a part of, this Indenture.

The following TIA term used in this Indenture has the following meaning:

"*obligor*" on the Notes means the Issuer, any Guarantors and any successor obligor upon the Notes.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by the Commission rule under the TIA have the meanings so assigned to them therein.

SECTION 1.4 Rules of Construction. Unless the context otherwise requires:

(1) a term has the meaning assigned to it herein;

(2) an accounting term not otherwise defined herein has the meaning assigned to it in accordance with GAAP or a successor to GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) unless otherwise specified, any reference to a Section or an Article refers to such Section or Article of this Indenture;

(6) provisions apply to successive events and transactions;

(7) references to interest shall include Additional Interest to the extent payable; and

(8) references to sections of or rules under the Securities Act, the Exchange Act or the TIA shall be deemed to include substitute, replacement or successor sections or rules adopted by the Commission from time to time.

ARTICLE II

THE NOTES

SECTION 2.1 Form and Dating.

(a) The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A attached hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture. The Notes may have notations, legends or endorsements required by law, stock exchange agreements to which the Company or any Subsidiary Guarantor is subject or usage. Each Note shall be dated the date of its authentication. The Notes initially shall be issued only in denominations of $2,000 and any integral multiple of $1,000 in excess thereof. The Trustee shall authenticate the Notes, upon a written order of the Company for the authentication and delivery of such Notes, which order shall set forth the number of separate notes, the principal amount of each such Note to be authenticated, the date on which the original issue of Notes is to be authenticated, the registered holders of each of the said Notes and delivery instructions.

(b) The terms and provisions contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and the Issuer and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

The Notes shall be issued initially in the form of one or more Global Notes substantially in the form attached as Exhibit A hereto and shall be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee as Note Custodian, and registered in the name of the Depositary or a nominee of the Depositary, duly executed by the Issuer and authenticated by the Trustee as hereinafter provided.

Each Global Note shall represent such of the outstanding Notes as shall be specified therein and each shall provide that it shall represent the aggregate amount of outstanding Notes from time to time endorsed thereon and that the aggregate amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, redemptions and transfers of interests. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of outstanding Notes represented thereby shall be made by the Trustee or the Note Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.6 hereof.

Except as set forth in Section 2.6 hereof, the Global Notes may be transferred, in whole and not in part, only to another nominee of the Depositary or to a successor of the Depositary or its nominee. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions of Clearstream Bank" and "Customer Handbook" of Clearstream shall be applicable to all transfers of beneficial interests in Regulation S Global Notes that are held by members of, or Participants, in DTC through Euroclear or Clearstream.

(c) The aggregate principal amount of each Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as Note Custodian.

(d) Section 2.1(c) shall apply only to Global Notes deposited with or on behalf of the Depositary.

The Issuer shall execute and the Trustee shall, in accordance with Section 2.1(c) and this Section 2.1(d), authenticate and deliver the Global Notes that (i) shall be registered in the name of the Depositary or the nominee of the Depositary and (ii) shall be delivered by the Trustee to the Depositary or pursuant to the Depositary's instructions or held by the Trustee as Note Custodian.

Participants shall have no rights either under this Indenture with respect to any Global Note held on their behalf by the Depositary or by the Note Custodian or under such Global Note, and the Depositary may be treated by the Issuer, the Trustee and any agent of the Issuer or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Trustee or any Agent or other agent of the Issuer or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Participants, the operation of customary practices of such Depositary governing the exercise of the rights of an owner of a beneficial interest in any Global Note.

The Trustee shall have no responsibility or obligation to any Holder, any member of (or a participant in) DTC or any other Person with respect to the accuracy of the records of DTC (or its nominee) or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery of any notice (including any notice of redemption) or the payment of any amount or delivery of any Notes (or other security or property) under or with respect to the Notes. The Trustee may rely (and shall be fully protected in relying) upon information furnished by DTC with respect to its members, participants and any Beneficial Owners in the Notes.

(e) Notes issued in certificated form, including Global Notes, shall be substantially in the form of Exhibit A attached hereto.

SECTION 2.2 Execution and Authentication. An Officer shall sign the Notes for the Issuer by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note shall nevertheless be valid.

A Note shall not be valid until authenticated by the manual signature of an authorized signatory of the Trustee or an authenticating agent. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee shall, upon a written order of the Issuer signed by one Officer directing the Trustee to authenticate and deliver the Notes and certifying that all conditions precedent to the issuance of the Notes contained herein have been complied with, authenticate (i) the Initial Notes for original issue up to the aggregate principal amount stated in paragraph 4 of the Notes, (ii) Additional Notes for original issue from time to time after the Issue Date in such principal amounts as may be set forth in a written order of the Issuer described in this sentence; *provided* that the issuance of such Additional Notes shall be subject to Section 2.16 and 4.19 and (iii) any Exchange Notes from time to time for issue only in exchange for like principal amount of Initial Notes or Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed such amount except as provided in Section 2.16 hereof.

The Trustee may appoint an authenticating agent reasonably acceptable to the Issuer to authenticate Notes. Unless limited by the terms of such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or the Issuer or an Affiliate of the Issuer.

SECTION 2.3 Registrar; Paying Agent. The Issuer shall maintain (i) an office or agency where Notes may be presented for registration of transfer or for exchange ("*Registrar*") and (ii) an office or agency where Notes may be presented for payment to a Paying Agent. The Registrar shall keep a register of the Notes (the "*Note Register*") and of their transfer and exchange. The Issuer may appoint one or more co-registrars and one or more additional paying agents; *provided*, *however*, that at all times there shall be only one Note Register. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Issuer may change any Paying Agent or Registrar without notice to any Holder. The Issuer shall notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. The Issuer or any of its Restricted Subsidiaries may act as Paying Agent or Registrar.

The Issuer shall notify the Trustee and the Holders of the name and address of any Agent not a party to this Indenture. The Issuer or any Subsidiary may act as Paying Agent or Registrar. The Issuer shall enter into an appropriate agency agreement with any Agent not a party to this Indenture, which shall incorporate the provisions of TIA § 317(b). The agreement shall implement the provisions of this Indenture that relate to such Agent. The Issuer shall notify the Trustee of the name and address of any such Agent.

The Issuer initially appoints the Trustee to act as the Registrar and Paying Agent and initially appoints the Corporate Trust Office of the Trustee as the office or agency of the Company for such purposes and as the office or agency of the Company where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served and the Trustee as the agent of the Issuer to receive such notices and demands.

The Issuer may change the paying agent or registrar without prior notice to the Holders of the Notes, and the Issuer or any of its Subsidiaries may act as paying agent or registrar.

The Issuer initially appoints DTC to act as the Depositary with respect to the Global Notes.

SECTION 2.4 Paying Agent to Hold Money in Trust. The Issuer shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of the Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium, if any, or interest (including Additional Interest, if any) on the Notes, and shall notify the Trustee of any Default by the Issuer in making any such payment. While any such Default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer or a Subsidiary) shall have no further liability for the money. If the Issuer or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon the occurrence of events specified in Section 6.1(8) hereof, the Trustee shall serve as Paying Agent for the Notes.

SECTION 2.5 Holder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA § 312(a). If the Trustee is not the Registrar, the Issuer shall furnish to the Trustee at least ten (10) Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders, including the aggregate principal amount of the Notes held by each Holder thereof, and the Issuer shall otherwise comply with TIA § 312(a).

SECTION 2.6 Transfer and Exchange.

(a) Transfer and Exchange of Global Notes. A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if (i) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary for the Global Notes or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 90 days after the date of such notice from the Depositary or (ii) the Company in its sole discretion notifies the Trustee in writing that it elects to cause issuance of the Notes in certificated form. Upon the occurrence of either of the preceding events in (i) or (ii) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.7 and 2.11 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to Section 2.7 or 2.11 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.6(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.6(b), (c) or (f) hereof.

(b) Transfer and Exchange of Beneficial Interests in the Global Notes. The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also shall require compliance with either subparagraph (i) or (ii) below, as applicable, as well as one or more of the other following subparagraphs as applicable:

(i) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period transfers of beneficial interests in the Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred only to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.6(b)(i).

(ii) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests (other than a transfer of a beneficial interest in a Global Note to a Person who takes delivery thereof in the form of a beneficial interest in the same Global Note), the transferor of such beneficial interest must deliver to the Registrar (A)(1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or (B)(1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above. Upon an Exchange Offer by the Company in accordance with Section 2.6(f) hereof, the requirements of this Section 2.6(b)(ii) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon notification from the Registrar that all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture, the Notes and otherwise applicable under the Securities Act have been satisfied, the Trustee shall adjust the principal amount of the relevant Global Notes pursuant to Section 2.6(h) hereof.

(iii) Transfer of Beneficial Interests to Another Restricted Global Note. A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of clause (ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the Rule 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in Item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in Item (2) thereof.

(iv) Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in the Unrestricted Global Note. A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of clause (ii) above and:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with the corresponding Registration Rights Agreement and the holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with the corresponding Registration Rights Agreement;

(C) any such transfer is effected by a Participating Broker-Dealer pursuant to an Exchange Offer Registration Statement in accordance with the corresponding Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in Item (1)(a) thereof;

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in Item (4) thereof; and

(3) in each such case set forth in this subparagraph (D), an Opinion of Counsel in form reasonably acceptable to the Trustee and the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are not required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an authentication order in accordance with Section 2.2 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) Transfer or Exchange of Beneficial Interests for Definitive Notes.

(i) If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in Item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (3)(c) thereof,

the Trustee, upon notice of receipt of such documentation by the Registrar, shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.6(h) hereof, and the Company shall execute and the Trustee shall authenticate and make available for delivery to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.6(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall make available for delivery such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.6(c)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) Notwithstanding Section 2.6(c)(i) hereof, a holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with the corresponding Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with the corresponding Registration Rights Agreement;

(C) any such transfer is effected by a Participating Broker-Dealer pursuant to an Exchange Offer Registration Statement in accordance with the corresponding Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit C hereto, including the certifications in Item (1)(b) thereof;

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit B hereto, including the certifications in Item (4) thereof; and

(3) in each such case set forth in this subparagraph (D), an Opinion of Counsel in form reasonably acceptable to the Trustee and the Company, to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are not required in order to maintain compliance with the Securities Act.

(iii) If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon notice by the Registrar of satisfaction of the conditions set forth in Section 2.6(b)(ii) hereof, the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.6(h) hereof, and the Company shall execute and the Trustee shall authenticate and make available for delivery to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.6(c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall make available for delivery such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.6(c)(iii) shall not bear the Private Placement Legend. A beneficial interest in an Unrestricted Global Note cannot be exchanged for a Definitive Note bearing the Private Placement Legend or transferred to a Person who takes delivery thereof in the form of a Definitive Note bearing the Private Placement Legend.

(d) Transfer and Exchange of Definitive Notes for Beneficial Interests.

(i) If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in Item (2)(b) thereof;

(B) if such Definitive Note is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (1) thereof;

(C) if such Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (2) thereof;

(D) if such Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (3)(a) thereof;

(E) if such Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (3)(b) thereof; or

(F) if such Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in Item (3)(c) thereof,

the Trustee, upon notice of receipt of such documentation by the Registrar, shall cancel the Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of subparagraph (A) above, the appropriate Restricted Global Note and, in the case of subparagraph (B) above, the Rule 144A Global Note, and, in the case of subparagraph (C) above, the Regulation S Global Note.

(ii) A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with the corresponding Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with the corresponding Registration Rights Agreement;

(C) any such transfer is effected by a Participating Broker-Dealer pursuant to an Exchange Offer Registration Statement in accordance with the corresponding Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in Item (1)(c) thereof;

(2) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in Item (4) thereof; and

(3) in each such case set forth in this subparagraph (D), an Opinion of Counsel in form reasonably acceptable to the Trustee and the Company to the effect that such exchange or transfer is in compliance with the Securities Act, that the restrictions on transfer contained herein and in the Private Placement Legend are not required in order to maintain compliance with the Securities Act, and such Definitive Notes are being exchanged or transferred in compliance with any applicable blue sky securities laws of any State of the United States.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.6(d)(ii), the Trustee shall cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(iii) A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

(iv) If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (ii)(B), (ii)(D) or (iii) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an authentication order in accordance with Section 2.2 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of beneficial interests transferred pursuant to subparagraphs (ii)(B), (ii)(D) or (iii) above.

(e) Transfer and Exchange of Definitive Notes for Definitive Notes. Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.6(e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by his attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, pursuant to the provisions of this Section 2.6(e).

(i) Restricted Definitive Notes may be transferred to and registered in the name of Persons who take delivery thereof if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A under the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in Item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904 of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in Item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by Item (3) thereof, if applicable.

(ii) Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with the corresponding Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Notes or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with the corresponding Registration Rights Agreement;

(C) any such transfer is effected by a Participating Broker-Dealer pursuant to an Exchange Offer Registration Statement in accordance with the corresponding Registration Rights Agreement; or

(iii) the Registrar receives the following:

(1) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in Item (1)(b) thereof;

(2) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in Item (4) thereof; and

(3) in each such case set forth in this subparagraph (D), an Opinion of Counsel in form reasonably acceptable to the Trustee and the Company to the effect that such exchange or transfer is in compliance with the Securities Act, that the restrictions on transfer contained herein and in the Private Placement Legend are not required in order to maintain compliance with the Securities Act, and such Restricted Definitive Note is being exchanged or transferred in compliance with any applicable blue sky securities laws of any State of the United States.

(iv) A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request for such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof. Unrestricted Definitive Notes cannot be exchanged for or transferred to Persons who take delivery thereof in the form of a Restricted Definitive Note.

(f) Exchange Offer. Upon the occurrence of an Exchange Offer in accordance with the corresponding Registration Rights Agreement, the Company shall issue and, upon receipt of (A) an authentication order in accordance with Section 2.2 hereof and (B) an Opinion of Counsel opining as to the enforceability of the Exchange Notes and the guarantees thereof, the Trustee shall authenticate (i) one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Notes tendered for acceptance by Persons that are not (1) broker-dealers, (2) Persons participating in the distribution of the Exchange Notes or (3) Persons who are affiliates (as defined in Rule 144) of the Company and accepted for exchange in such Exchange Offer and (ii) Definitive Notes in an aggregate principal amount equal to the principal amount of the Restricted Definitive Notes accepted for exchange in such Exchange Offer, unless the Holders of such Restricted Definitive Notes shall request the receipt of Definitive Notes, in which case the Company shall execute and the Trustee shall authenticate and deliver to the Persons designated by the Holders of such Restricted Definitive Notes one or more Definitive Notes without the Private Placement Legend in the appropriate principal amount. Concurrent with the issuance of such Unrestricted Global Notes, the Trustee shall cause the aggregate principal amount of the applicable Restricted Global Notes to be reduced accordingly, and the Company shall execute and the Trustee shall authenticate and make available for delivery to the Persons designated by the Holders of Definitive Notes so accepted Definitive Notes in the appropriate principal amount.

(g) Legends. The following legends shall appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) Private Placement Legend.

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "*SECURITIES ACT*") AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER: (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) (A "*QIB*") OR (B) IT IS NOT A U.S. PERSON, IS NOT ACQUIRING THIS SECURITY FOR THE ACCOUNT OR FOR THE BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, (2) AGREES THAT IT WILL NOT WITHIN THE TIME PERIOD REFERRED TO UNDER RULE 144(d)(1) UNDER THE SECURITIES ACT AS IN EFFECT ON THE DATE OF THE TRANSFER OF THIS SECURITY RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) TO A PERSON (B) TO A PERSON IT REASONABLY BELIEVES IS A QIB OR AN ACCREDITED INVESTOR PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QIB OR AN ACCREDITED INVESTOR, RESPECTIVELY, IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT OR AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, (C) OUTSIDE THE

UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT, (D) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE AND PROVIDED THAT PRIOR TO SUCH TRANSFER, THE ISSUER AND THE TRUSTEE ARE FURNISHED WITH AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER THAT SUCH TRANSFER IS IN COMPLIANCE WITH THE SECURITIES ACT) OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY OR AN INTEREST HEREIN IS TRANSFERRED (OTHER THAN A TRANSFER PURSUANT TO CLAUSE (2)(D) OR (2)(E) ABOVE) A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS SECURITY OR ANY INTEREST HEREIN WITHIN THE TIME PERIOD REFERRED TO ABOVE, THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON A CERTIFICATE IN THE FORM OF EXHIBIT B TO THE INDENTURE RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT SUCH CERTIFICATE TO THE TRUSTEE. AS USED HEREIN THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANING GIVEN TO THEM BY RULE 902 OF REGULATION S UNDER THE SECURITIES ACT."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraph (b)(iv), (c)(iii), (d)(ii), (d)(iii), (e)(ii), (e)(iii) or (f) of this Section 2.6 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(2) Global Note Legend. Each Global Note shall bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06(h) OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.6(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE ISSUER. UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("*DTC*") TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE

OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(h) Cancellation and/or Adjustment of Global Notes. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if a particular Global Note has been redeemed, repurchased or canceled in part and not in whole, or if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on the Schedule of Exchanges of Interest on such Global Note, by the Trustee, the Note Custodian or the Depositary at the direction of the Trustee, to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note shall be increased accordingly and an endorsement shall be made on the Schedule of Exchanges of Interests on such Global Note, by the Trustee, the Note Custodian or by the Depositary at the direction of the Trustee, to reflect such increase.

(i) General Provisions Relating to Transfers and Exchanges.

(i) To permit registrations of transfers and exchanges, subject to Section 2.6, the Company shall execute and, upon the Company's written order, signed by one or more Officers of the Company, the Trustee shall authenticate Global Notes and Definitive Notes at the Registrar's request.

(ii) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any stamp or transfer tax or similar governmental charge payable in connection therewith (other than any such stamp or transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 3.6, 4.10, 4.14 and 9.5 hereto).

(iii) The Registrar shall not be required to register the transfer or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(iv) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture and the Note Guarantees, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(v) The Company and the Registrar shall not be required (A) to issue, to register the transfer of or to exchange Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.2 hereof and ending at the close of business on the day of selection, (B) to register the transfer of or to exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part, (C) to register the transfer of or to exchange a Note between a record date and the next succeeding Interest Payment Date or (D) to register the transfer of a Note other than in denominations of $2,000 or multiple integrals of $1,000 in excess thereof.

(vi) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and neither the Trustee, any Agent nor the Issuer shall be affected by notice to the contrary.

(vii) The Trustee shall authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.2 hereof.

(viii) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.6 to effect a transfer or exchange may be submitted by facsimile.

(ix) The Trustee and the Registrar shall have no obligation or duty to monitor, determine or inquire as to whether any Person is or is not a Person described in clauses (1), (2) and (3) of each of Sections 2.6(b)(iv)(A), 2.6(c)(ii)(A), 2.6(d)(ii)(A), 2.6(e)(ii)(A) and 2.6(f) hereof or under applicable law (other than the TIA) with respect to any transfer of any interest in any Note (including any transfers between or among Participants or Beneficial Owners of interests in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

SECTION 2.7 Replacement Notes. If any mutilated Note is surrendered to the Trustee, or the Issuer and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Note, the Issuer shall issue and the Trustee, upon the written order of the Issuer signed by an Officer of the Issuer, shall authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Issuer, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuer to protect the Issuer, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Issuer and the Trustee may charge for their expenses in replacing a Note.

Every replacement Note is an additional obligation of the Issuer and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

SECTION 2.8 Outstanding Notes. The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.8 as not outstanding. Except as set forth in Section 2.9 hereof, a Note does not cease to be outstanding because the Issuer or an Affiliate of the Issuer holds the Note.

If a Note is replaced pursuant to Section 2.7 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a bona fide purchaser.

If the principal amount of any Note is considered paid under Section 4.1 hereof, it ceases to be outstanding and interest (including Additional Interest, if any) on it ceases to accrue.

If the Paying Agent (other than the Issuer, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes shall be deemed to be no longer outstanding and shall cease to accrue interest (including Additional Interest, if any).

SECTION 2.9 Treasury Notes. In determining whether the Holders of the required aggregate principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuer or by any Affiliate of the Issuer shall be considered as though not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes shown on the Note Register as being owned shall be so disregarded. Notwithstanding the foregoing, Notes that are to be acquired by the Issuer or an Affiliate of the Issuer pursuant to an exchange offer, tender offer or other agreement shall not be deemed to be owned by such entity until legal title to such Notes passes to such entity.

SECTION 2.10 Temporary Notes. Until Certificated Notes are ready for delivery, the Issuer may prepare and the Trustee shall authenticate temporary Notes upon a written order of the Issuer signed by two Officers of the Issuer. Temporary Notes shall be substantially in the form of Certificated Notes but may have variations that the Issuer considers appropriate for temporary Notes. Without unreasonable delay, the Issuer shall prepare and the Trustee shall upon receipt of a written order of the Issuer signed by two Officers authenticate Certificated Notes in exchange for temporary Notes.

Holders of temporary Notes shall be entitled to all of the benefits of this Indenture.

SECTION 2.11 Cancellation. The Issuer at any time may deliver to the Trustee for cancellation any Notes previously authenticated and delivered hereunder or which the Issuer may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly cancelled by the Trustee. All Notes surrendered for registration of transfer, exchange or payment, if surrendered to any Person other than the Trustee, shall be delivered to the Trustee. The Trustee and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation. Subject to Section 2.7 hereof, the Issuer may not issue new Notes to replace Notes that they have redeemed or paid or that have been delivered to the Trustee for cancellation other than as contemplated by an Exchange Offer. All cancelled Notes held by the Trustee shall be disposed of in accordance with its customary practice, and certification of their cancellation delivered to the Issuer upon request.

SECTION 2.12 Defaulted Interest. If the Issuer defaults in a payment of interest on the Notes, it shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date. The Issuer shall fix or cause to be fixed each such special record date and payment date and shall promptly thereafter notify the Trustee of any such date. At least ten (10) days before the special record date, the Issuer (or the Trustee, in the name and at the request and expense of the Issuer) shall deliver or cause to be delivered to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

SECTION 2.13 Record Date. The record date for purposes of determining the identity of Holders entitled to vote or consent to any action by vote or consent authorized or permitted under this Indenture shall be determined as provided for in TIA § 316(c).

SECTION 2.14 Computation of Interest. Interest on the Notes shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

SECTION 2.15 CUSIP, ISIN and Common Code Numbers . The Company in issuing the Notes may use CUSIP, ISIN and Common Code numbers (if then generally in use), and, if so, the Trustee may use CUSIP, ISIN and Common Code numbers, as appropriate, in notices (including notices of redemption) as a convenience to Holders; *provided, however*, that any such notice may state that no representation is made as to the correctness of such numbers or codes either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or notice shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the CUSIP, ISIN or Common Code numbers.

SECTION 2.16 Issuance of Additional Notes. The Company shall be entitled to issue Additional Notes under this Indenture that shall have identical terms as the Initial Notes and the Exchange Notes, other than with respect to the date of issuance, issue price, amount of interest payable on the first interest payment date applicable thereto and any customary escrow provisions (and if such issuance is done in a transaction, other than a registered public offering, transfer restrictions, any registration rights agreement and additional interest with respect thereto); *provided* that such issuance is not prohibited by the terms of this Indenture, including Section 4.9. The Initial Notes and any Additional Notes shall be, without limitation, treated as a single class for all purposes under this Indenture.

With respect to any Additional Notes, the Company shall set forth in a resolution of its Board of Directors and in an Officer's Certificate, a copy of each of which shall be delivered to the Trustee, the following information:

(1) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture;

(2) the issue price, the issue date, the CUSIP number of such Additional Notes, the first interest payment date and the amount of interest payable on such first interest payment date applicable thereto and the date from which interest shall accrue; and

(3) whether such Additional Notes shall bear the Private Placement Legend set forth in Section 2.6(g)(1).

ARTICLE III

REDEMPTION AND PREPAYMENT

SECTION 3.1 Notices to Trustee. If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of Section 3.7 hereof, it shall furnish to the Trustee, at least thirty (30) days (or such shorter period as is acceptable to the Trustee) before a date fixed for redemption (the "*redemption date*"), an Officer's Certificate setting forth (i) the section of this Indenture pursuant to which the redemption shall occur, (ii) the redemption date, (iii) the principal amount of Notes to be redeemed and (iv) the Redemption Price. If the Redemption Price is not known at the time such notice is to be given, the actual Redemption Price, calculated as described under "Applicable Premium" in Section 1.1, will be set forth in an Officer's Certificate of the Issuer delivered to the Trustee no later than two Business Days prior to the redemption date.

If the Issuer is required to make an Offer to Purchase pursuant to Section 4.10 or 4.14 hereof, it shall furnish to the Trustee, at least fifteen (15) days prior to the mailing of the Offer (or such shorter period as is acceptable to the Trustee) before the scheduled purchase date, an Officer's Certificate setting forth (i) the section of this Indenture pursuant to which the offer to purchase shall occur, (ii) the

terms of the offer, (iii) the principal amount of Notes to be purchased, (iv) the purchase price and (v) the purchase date and further setting forth a statement to the effect that (a) the Issuer or one of its Subsidiaries has effected an Asset Sale and there are Excess Proceeds aggregating more than $40.0 million or (b) a Change of Control has occurred, as applicable.

SECTION 3.2 Selection of Notes to Be Redeemed. The Trustee shall select the Notes to be redeemed among the Holders in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed or, if the Notes are not so listed, on a *pro rata* basis, by lot or by such method as the Trustee shall deem fair and appropriate (and in a manner that complies with applicable requirements of the Depositary); *provided* that no Notes of $2,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail (or, to the extent permitted or required by the Applicable Procedures, electronically) at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note (or if a Global Note, an adjustment shall be made on the Schedule of Exchanges of Interest attached thereto). Notes called for redemption become due on the date fixed for redemption, *provided* that notices of redemption may be conditioned at the direction of the Company on one or more conditions precedent, such as the closing of a Change of Control or a financing transaction. The Company shall provide prompt written notice to the Trustee rescinding any such conditional redemption in the event that any such condition precedent shall not have occurred, and thereafter such redemption and notice of redemption shall be rescinded and of no force or effect. Upon receipt of such notice from the Company rescinding such conditional redemption, the Trustee shall promptly send a copy of such notice to the Holders of the Notes to be redeemed. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption. The Trustee shall make the selection from the Notes outstanding and not previously called for redemption and if the Notes are Certificated Notes shall promptly notify the Issuer in writing of the Notes selected for redemption. The Trustee may select for redemption portions (equal to $1,000 or any integral multiple thereof) of the principal of the Notes that have denominations larger than $2,000.

SECTION 3.3 Notice of Redemption. Subject to the provisions of Section 3.9, at least 30 days but not more than 60 days before a redemption date, the Issuer shall send or cause to be sent by electronic transmission or by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed.

The notice shall identify the Notes to be redeemed and shall state:

(a) the redemption date;

(b) the Redemption Price, or if not then known, the manner of determination thereof, and the amount of accrued interest, if any to be paid;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Notes to be redeemed and that, after the redemption date, upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion shall be issued upon cancellation of the original Note (or if a Global Note, an adjustment shall be made on the Schedule of Exchanges of Interest attached thereto);

(d) the name, telephone number and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the Redemption Price;

(f) that, unless the Issuer defaults in making such redemption payment, interest (including Additional Interest, if any) on Notes called for redemption ceases to accrue on and after the redemption date;

(g) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;

(h) whether the notice of redemption is conditional, and a brief description of any applicable conditions; and

(i) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuer's request, the Trustee shall give the notice of redemption in the Issuer's name and at the Issuer's expense; *provided*, *however*, that the Issuer shall have delivered to the Trustee at least 45 days prior to the redemption date (or such shorter period as is acceptable to the Trustee), an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in the notices as provided in the preceding paragraph. The notice sent in the manner herein provided shall be conclusively presumed to have been duly given whether or not a Holder receives such notice. In any case, failure to give such notice by electronic transmission or by mail or any defect in the notice to the Holder of any Note shall not affect the validity of the proceeding for the redemption of any other Note.

SECTION 3.4 Effect of Notice of Redemption. Once notice of redemption is sent in accordance with Section 3.3 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the Redemption Price plus accrued and unpaid interest (including Additional Interest), if any, to such date.

SECTION 3.5 Deposit of Redemption or Purchase Price. On or before 10:00 a.m. (New York City time) on each redemption date or the date on which Notes must be accepted for purchase pursuant to Section 4.10 or 4.14, the Issuer shall deposit with the Trustee or with the Paying Agent (other than the Issuer or an Affiliate of the Issuer) money sufficient to pay the Redemption Price of and accrued and unpaid interest (including Additional Interest), if any, on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent shall promptly return to the Issuer any money deposited with the Trustee or the Paying Agent by the Issuer in excess of the amounts necessary to pay the Redemption Price of (including any Applicable Premium), and accrued interest (including Additional Interest), if any, on, all Notes to be redeemed or purchased.

If Notes called for redemption or tendered in an Asset Sale Offer or Change of Control Offer are paid or if Issuer has deposited with the Trustee or Paying Agent money sufficient to pay the redemption or purchase price of, and unpaid and accrued interest (including Additional Interest), if any, on, all Notes to be redeemed or purchased, on and after the redemption or purchase date, interest (including Additional Interest), if any, shall cease to accrue on the Notes or the portions of Notes called for redemption or tendered and not withdrawn in an Asset Sale Offer or Change of Control Offer (regardless of whether certificates for such securities are actually surrendered). If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest (including Additional Interest), if any, shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption shall

not be so paid upon surrender for redemption because of the failure of the Issuer to comply with the preceding paragraph, interest shall be paid on the unpaid principal from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest or Additional Interest not paid on such unpaid principal, in each case, at the rate provided in the Notes and in Section 4.1 hereof.

SECTION 3.6 Notes Redeemed in Part. Upon surrender of a Certificated Note that is redeemed in part, the Issuer shall issue and, upon the written request of an Officer of the Issuer, the Trustee shall authenticate for the Holder at the expense of the Issuer a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

SECTION 3.7 Optional Redemption.

(a) At any time, and from time to time, the Company may redeem all or part of the Notes at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) the Applicable Premium as of the date of redemption, plus (iii) accrued and unpaid interest (including Additional Interest), if any, to the redemption date (subject to the rights of Holders of record on the relevant regular record date to receive interest due on an interest payment date that is on or prior to the redemption date).

(b) The Issuer may, at any time and from time to time, purchase Notes in the open market or otherwise, subject to compliance with this Indenture and compliance with all applicable securities laws.

SECTION 3.8 Mandatory Redemption. The Issuer shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

SECTION 3.9 Offer to Purchase. In the event that the Issuer shall be required to commence an Offer to Purchase pursuant to a Change of Control Offer, the Issuer shall follow the procedures specified below.

Unless otherwise required by applicable law, an Offer to Purchase shall specify an expiration date (the "*Expiration Date*") of the Offer to Purchase, which shall be, subject to any contrary requirements of applicable law, not less than 30 days or more than 60 days after the date of delivering of such Offer, and a settlement date (the "*Purchase Date*") for purchase of Notes within five Business Days after the Expiration Date. On the Purchase Date, the Company shall purchase the aggregate principal amount of Notes required to be purchased pursuant to Section 4.14 hereof (the "*Offer Amount*"), or if less than the Offer Amount has been tendered, all Notes tendered in response to the Offer to Purchase. Payment for any Notes so purchased shall be made in the same manner as interest payments are made. If the Purchase Date is on or after the interest record date and on or before the related interest payment date, any accrued and unpaid interest (including Additional Interest), if any, shall be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest, if any, shall be payable to the Holders who tender Notes pursuant to the Offer to Purchase. The Company shall notify the Trustee at least 15 days (or such shorter period as is acceptable to the Trustee in its sole discretion) prior to the delivering of the Offer of the Company's obligation to make an Offer to Purchase, and the Offer shall be sent electronically or mailed by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company. The Offer shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase.

On or before 10:00 a.m. (New York City time) on each Purchase Date, the Issuer shall irrevocably deposit with the Trustee or Paying Agent (other than the Issuer or an Affiliate of the Issuer) in immediately available funds the aggregate purchase price equal to the Offer Amount, together with accrued and unpaid interest (including Additional Interest), if any, thereon, to be held for payment in accordance

with the terms of this Section 3.9. On the Purchase Date, the Issuer shall, to the extent lawful, (i) accept for payment, on a *pro rata* basis to the extent necessary (or if a Global Note, by Applicable Procedures), the Offer Amount of Notes or portions thereof tendered pursuant to the Offer to Purchase, or if less than the Offer Amount has been tendered, all Notes tendered, (ii) deliver or cause the Paying Agent or depositary, as the case may be, to deliver to the Trustee Notes so accepted and (iii) deliver to the Trustee an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this Section 3.9. The Issuer, the Depositary or the Paying Agent, as the case may be, shall promptly (but in any case not later than five (5) Business Days after the Expiration Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Issuer for purchase, plus any accrued and unpaid interest, if any, thereon, and the Issuer shall promptly issue a new Note, and the Trustee, at the written request of the Issuer, shall authenticate and mail or deliver at the expense of the Issuer such new Note to such Holder, equal in principal amount to any unpurchased portion of such Holder's Notes surrendered (or if a Global Note, an adjustment shall be made to the Schedule of Exchanges of Interest attached thereto); *provided* that each such new Note will be in a principal amount of $2,000 or any integral multiple of $1,000 in excess thereof. Any Note not so accepted shall be promptly mailed or delivered by the Issuer to the Holder thereof. The Issuer shall publicly announce in a newspaper of general circulation or in a press release provided to a nationally recognized financial wire service the results of the Offer to Purchase on the Purchase Date.

The Issuer shall comply with the requirements of any applicable securities laws and any regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of an Asset Sale Offer or Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with Sections 3.9, 4.10 or 4.14 of this Indenture, the Company will comply with the applicable securities laws and regulations and will be deemed to have complied with its obligations under Section 3.9, 4.10 or 4.14, as applicable, by virtue of such compliance.

Other than as specifically provided in this Section 3.9, any purchase pursuant to this Section 3.9 shall be made pursuant to the provisions of Sections 3.1 through 3.6 hereof.

ARTICLE IV

COVENANTS

SECTION 4.1 Payment of Notes.

(a) The Issuer shall pay or cause to be paid the principal of, premium, if any, and interest (including Additional Interest, if any), on the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest (including Additional Interest, if any), shall be considered paid for all purposes hereunder on the date the Paying Agent, if other than the Issuer or a Subsidiary thereof, holds, as of 10:00 a.m. (New York City time), money deposited by the Issuer in immediately available funds and designated for and sufficient to pay all such principal, premium, if any, and interest (including Additional Interest, if any), then due. The Company shall pay all Additional Interest, if any, in the same manner and in the same amounts set forth in the corresponding Registration Rights Agreement.

(b) The Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (including Additional Interest), if any (without regard to any applicable grace period) at the same rate to the extent lawful.

(c) Additional Interest will be payable in arrears on each Interest Payment Date following accrual in the same manner as regular interest on the Notes. If Additional Interest is payable on the Notes, the Issuer shall provide an Officer's Certificate to the Trustee prior to each Interest Payment Date for which such Additional Interest is payable setting forth the accrual period and the amount of such Additional Interest in reasonable detail. The Trustee may provide a copy of such Officer's Certificate or other notice received from the Issuer relating to Additional Interest to any Holder upon request. Unless and until a Responsible Officer of the Trustee receives at the Corporate Trust Office such a certificate, the Trustee may assume without inquiry that no such Additional Interest is payable. If the Company has paid Additional Interest directly to the Persons entitled to it, the Company shall deliver to the Trustee an Officers' Certificate setting forth the particulars of such payment.

SECTION 4.2 Maintenance of Office or Agency. The Issuer shall maintain an office or agency (which may be an office of the Trustee or an affiliate of the Trustee or Registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. The Issuer hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Issuer in accordance with Section 2.3 hereof. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee and the Company hereby appoints the Trustee its agent to receive all such presentations, surrenders, notices and demands.

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

SECTION 4.3 Provision of Financial Information. Whether or not required by the rules or regulations of the Commission, so long as any Notes are outstanding, the Company will furnish to the Trustee and the Holders of Notes, or file electronically with the Commission through the Commission's Electronic Data Gathering, Analysis and Retrieval System (or any successor system), within the time periods specified in the Commission's rules and regulations (after giving effect to any grace period provided by Rule 12b-25 under the Exchange Act):

(a) all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Company were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report on the annual financial statements by the Company's certified independent accountants; and

(b) all current reports that would be required to be filed (as opposed to furnished) with the Commission on Form 8-K if the Company were required to file such reports.

In addition, whether or not required by the Commission, the Company will file a copy of all of the information and reports referred to in clauses (a) and (b) above with the Commission for public availability within the time periods specified in the Commission's rules and regulations (after giving effect to any grace period provided by Rule 12b-25 under the Exchange Act) (unless the Commission will not accept such a filing) and make such information available to prospective investors.

If the Company has designated any of its Subsidiaries (other than a Receivable Subsidiary) as Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in "Management's Discussion and Analysis of Financial Condition and Results of Operations," of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.

SECTION 4.4 Compliance Certificate. The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate (that need not comply with Section 12.4 and Section 12.5) signed by the chief executive officer, the chief financial officer, or the chief accounting officer, stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officer with a view to determining whether each has kept, observed, performed and fulfilled its obligations under this Indenture (including, with respect to any Restricted Payments made during such year, the basis upon which the calculations required by Section 4.7 hereof were computed, which calculations may be based upon the Company's latest available financial statements), and further stating that, to his or her knowledge, each entity is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that, to his or her knowledge, no event has occurred and remains in existence by reason of which payments on account of the principal of, premium, if any, or interest on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

The Company shall, so long as any of the Notes are outstanding, deliver to the Trustee, forthwith upon becoming aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

SECTION 4.5 Taxes. The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency all material taxes, assessments and governmental levies, except such as are contested in good faith and by appropriate proceedings and with respect to which appropriate reserves have been taken in accordance with GAAP or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

SECTION 4.6 Stay, Extension and Usury Laws. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and any Guarantor (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

SECTION 4.7 Limitation on Restricted Payments. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any Restricted Payment unless, at the time of and after giving effect to the proposed Restricted Payment:

(a) no Default in the payment in respect of principal or interest or Event of Default shall have occurred and be continuing or will occur as a consequence thereof;

(b) after giving effect to such Restricted Payment on a *pro forma* basis, the Company would be permitted to Incur at least $1.00 of additional Debt (other than Permitted Debt) pursuant to the provisions described in the first paragraph under Section 4.9; and

(c) after giving effect to such Restricted Payment on a *pro forma* basis, the aggregate amount expended or declared for all Restricted Payments made on or after September 24, 2010 (excluding Restricted Payments permitted by clauses (ii) through (ix) and (xv) of the next succeeding paragraph) shall not exceed the sum (without duplication) of:

(i) 50% of the Consolidated Net Income (or, if Consolidated Net Income shall be a deficit, minus 100% of such deficit) of the Company accrued on a cumulative basis during the period (taken as one accounting period) from January 1, 2010 and ending on the last day of the fiscal quarter immediately preceding the date of such proposed Restricted Payment, *plus*

(ii) 100% of the aggregate net proceeds (including the Fair Market Value of property other than cash) received by the Company subsequent to September 24, 2010 either (i) as a contribution to its common equity capital or (ii) from the issuance and sale (other than to a Subsidiary) of its Qualified Capital Interests, including Qualified Capital Interests issued upon the conversion or exchange of Debt or Redeemable Capital Interests of the Company, and from the exercise of options, warrants or other rights to purchase such Qualified Capital Interests (other than, in each case, Capital Interests or Debt sold to a Subsidiary of the Company and, for the avoidance of doubt, any proceeds or property deemed to be received in consideration for the common stock of the Company issued in the Target Acquisition), *plus*

(iii) to the extent not otherwise included in the calculation of Consolidated Net Income of the Company for such period, 100% of the net reduction in Investments (other than Permitted Investments and Investments made pursuant to clause (x) of the next paragraph of this Section 4.7) made on and after September 24, 2010 in any Person other than the Company or a Restricted Subsidiary resulting from dividends, repayment of loans or advances or other transfers of assets, in each case to the Company or any Restricted Subsidiary, *plus*

(iv) to the extent that any Investment (other than Permitted Investments or Investments in Unrestricted Subsidiaries) that was made on and after September 24, 2010 is sold for cash or otherwise disposed of, liquidated or repaid for cash or other assets, the lesser of (i) the initial amount of such Investment, or (ii) to the extent not otherwise included in the calculation of Consolidated Net Income of the Company for such period, the net cash return of capital or net Fair Market Value of return of capital with respect to such Investment, less the cost of any such disposition or liquidation, *plus*

(v) to the extent that any Unrestricted Subsidiary of the Company designated as such on and after the Issue Date is redesignated as a Restricted Subsidiary or merged or consolidated with or into the Company or a Restricted Subsidiary, the lesser of (i) the Fair Market Value of the Company's Investment in such Subsidiary as of the date of such redesignation or (ii) such Fair Market Value as of the date on which such Subsidiary was originally designated as an Unrestricted Subsidiary, *plus*

(vi) 100% of any dividends or interest payments received by the Company or a Restricted Subsidiary on and after September 24, 2010 from an Unrestricted Subsidiary or other Investment (other than a Permitted Investment), to the extent such dividends or interest payments were not otherwise included in the calculation of Consolidated Net Income of the Company for such period.

Notwithstanding whether the foregoing provisions would prohibit the Company and its Restricted Subsidiaries from making a Restricted Payment, the Company and its Restricted Subsidiaries may make the following Restricted Payments:

(i) the payment of any dividend on Capital Interests in the Company or a Restricted Subsidiary within 60 days after declaration thereof if at the declaration date such payment was permitted by the foregoing provisions of this Section 4.7;

(ii) the purchase, repurchase, redemption, defeasance or other acquisition or retirement of any Qualified Capital Interests of the Company by conversion into, or by or in exchange for, Qualified Capital Interests, or out of net cash proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary of the Company) of other Qualified Capital Interests of the Company; *provided* that the amount of any net proceeds that are utilized for such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph;

(iii) the retirement of any shares of Redeemable Capital Interests by conversion into, or by exchange for, shares of Redeemable Capital Interests, or out of the net proceeds of the substantially concurrent sale (other than to a Subsidiary of the Company) of other shares of Redeemable Capital Interests;

(iv) the redemption, defeasance, repurchase or acquisition or retirement for value of any Debt of the Company or a Guarantor that is subordinate in right of payment to the Notes or the applicable Note Guarantee out of the net cash proceeds of a substantially concurrent issue and sale (other than to a Subsidiary of the Company) of (x) new subordinated Debt of the Company or such Guarantor, as the case may be, Incurred in accordance with this Indenture or (y) of Qualified Capital Interests of the Company; provided that the amount of any net proceeds that are utilized for such Restricted Payment will be excluded from clause (c)(ii) of the preceding paragraph;

(v) the purchase, redemption, retirement or other acquisition for value of Capital Interests in the Company or any direct or indirect parent of the Company (or any payments to a direct or indirect parent company of the Company for the purposes of permitting any such repurchase) held by employees or former employees of the Company or any Restricted Subsidiary (or their estates or beneficiaries under their estates) upon death, disability, retirement or termination of employment or alteration of employment status or pursuant to the terms of any agreement under which such Capital Interests were issued; *provided* that the aggregate cash consideration paid for such purchase, redemption, retirement or other acquisition of such Capital Interests does not exceed $10.0 million in any calendar year, *provided, further*, that any unused amounts in any calendar year may be carried forward to one or more future periods subject to a maximum aggregate amount of repurchases made pursuant to this clause (v) not to exceed $15.0 million in any calendar year; *provided*, *however*, that such amount in any calendar year may be increased by an amount not to exceed (A) the cash proceeds received by the Company or any of its Restricted Subsidiaries from the sale of Qualified Capital Interests of the Company or any direct or indirect parent company of the Company (to the extent contributed to the Company) to employees of the Company and its Restricted Subsidiaries that occurs after the Issue Date; *provided*, *however*, that the amount of such cash proceeds utilized for any such repurchase, retirement, other acquisition or dividend will not increase the amount available for Restricted Payments under clause (c) of the first paragraph of this Section 4.7; plus (B) the cash proceeds of key man life insurance policies

received by the Company and its Restricted Subsidiaries after the Issue Date (*provided*, *however*, that the Company may elect to apply all or any portion of the aggregate increase contemplated by the proviso of this clause (v) in any calendar year and, to the extent any payment described under this clause (v) is made by delivery of Debt and not in cash, such payment shall be deemed to occur only when, and to the extent, the obligor on such Debt makes payments with respect to such Debt);

(vi) the repurchase of Capital Interests deemed to occur (A) upon the exercise of stock options, warrants or similar rights to the extent such Capital Interests represent a portion of the exercise price of those stock options or warrants, (B) as a result of common shares utilized to satisfy tax withholding obligations upon exercise of stock options or vesting of other equity awards or (C) upon the cancellation of stock options, warrants or other equity awards;

(vii) cash payments in lieu of issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for the Capital Interests of the Company or a Restricted Subsidiary;

(viii) the declaration and payment of dividends to holders of any class or series of Redeemable Capital Interests of the Company or any Restricted Subsidiary issued or Incurred in compliance with Section 4.9 to the extent such dividends are included in the definition of Consolidated Fixed Charges;

(ix) purchase or acquire shares of the Company's Capital Interests in open-market purchases for matching contributions to any employees of the Company or its Subsidiaries pursuant to any employee stock purchase plan, deferred compensation plan or other benefit plan;

(x) to the extent no Default in any payment in respect of principal or interest under the Notes or Event of Default has occurred and is continuing or will occur as a consequence thereof, upon the occurrence of a Change of Control or an Asset Sale, the defeasance, redemption, repurchase or other acquisition of any subordinated Debt pursuant to provisions substantially similar to those contained in Section 4.10 and Section 4.14 at a Purchase Price not greater than 101% of the principal amount thereof (in the case of a Change of Control) or at a percentage of the principal amount thereof not higher than the principal amount applicable to the Notes (in the case of an Asset Sale), plus any accrued and unpaid interest thereon; *provided* that prior to or contemporaneously with such defeasance, redemption, repurchase or other acquisition, the Company has made an Offer to Purchase with respect to the Notes and has repurchased all Notes validly tendered for payment and not withdrawn in connection therewith;

(xi) to the extent no Default in any payment in respect of principal or interest under the Notes or any then outstanding Credit Facilities or Event of Default has occurred and is continuing or will occur as a consequence thereof, other Restricted Payments not in excess of the greater of (x) $50.0 million and (y) 1.75% of Consolidated Total Assets (in each case to the extent not otherwise included in Consolidated Net Income net of, with respect to any Restricted Payment that constitutes an Investment in any particular Person made in reliance on this clause, the return thereon received after the Issue Date as a result of any sale for cash or Eligible Cash Equivalents, repayment, redemption, liquidating distribution or other realization for cash or Eligible Cash Equivalents, not to exceed the amount of Investments made after the Issue Date in such Person in reliance on this clause);

(xii) the purchase, repurchase, redemption, acquisition or retirement for nominal value of common stock or preferred stock purchase rights in each case issued in connection with any shareholder rights plan that may be adopted by the Company;

(xiii) the repurchase or other acquisition of shares of, or options to purchase shares of, common stock of the Company or any of its Subsidiaries pursuant to any share repurchase plan approved by the Company's Board of Directors; *provided*, *however*, that the aggregate amount of such repurchases shall not exceed $7.5 million in any twelve-month period;

(xiv) the making by the Company of quarterly dividend payments in respect of common stock of the Company of no more than $0.10 per share; and

(xv) to the extent no Default in any payment in respect of principal or interest under the Notes or any then outstanding Credit Facilities or Event of Default has occurred and is continuing or will occur as a consequence thereof, other Restricted Payments; *provided* that the Net Leverage Ratio shall not be in excess of 2.25 to 1.0 immediately after giving effect to such Restricted Payment.

If the Company makes a Restricted Payment which, at the time of the making of such Restricted Payment, in the good faith determination of the Company, would be permitted under the requirements of this Indenture, such Restricted Payment shall be deemed to have been made in compliance with this Indenture notwithstanding any subsequent adjustment made in good faith to the Company's financial statements affecting Consolidated Net Income.

If any Person in which an Investment is made, which Investment constitutes a Restricted Payment when made, thereafter becomes a Restricted Subsidiary in accordance with this Indenture, all such Investments previously made in such Person shall no longer be counted as Restricted Payments for purposes of calculating the aggregate amount of Restricted Payments pursuant to clause (c) of the first paragraph under this Section 4.7, in each case to the extent such Investments would otherwise be so counted.

If the Company or a Restricted Subsidiary transfers, conveys, sells, leases or otherwise disposes of an Investment in accordance with Section 4.10, which Investment was originally included in the aggregate amount expended or declared for all Restricted Payments pursuant to clause (c) of the definition of "Restricted Payments," the aggregate amount expended or declared for all Restricted Payments shall be reduced by the lesser of (i) the net cash proceeds from the transfer, conveyance, sale, lease or other disposition of such Investment or (ii) the amount of the original Investment, in each case, to the extent originally included in the aggregate amount expended or declared for all Restricted Payments pursuant to clause (c) of the definition of "Restricted Payments."

For purposes of this Section 4.7, if a particular Restricted Payment involves a non-cash payment, including a distribution of assets, then such Restricted Payment shall be deemed to be an amount equal to the cash portion of such Restricted Payment, if any, plus an amount equal to the Fair Market Value of the non-cash portion of such Restricted Payment.

SECTION 4.8 Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, cause or suffer to exist or become effective or enter into any encumbrance or restriction on the ability of any Restricted Subsidiary to (i) pay dividends or make any other distributions on its Capital Interests owned by the Company or any Restricted Subsidiary or pay any Debt or other obligation owed to the Company or any Restricted Subsidiary, (ii) make loans or advances to the Company or any Restricted Subsidiary thereof or (iii) transfer any of its property or assets to the Company or any Restricted Subsidiary.

However, the preceding restrictions will not apply to the following encumbrances or restrictions existing under or by reason of:

(1) any encumbrance or restriction in existence on the Issue Date, including pursuant to the Credit Agreements or by any other agreement or documents entered into in connection with the Credit Agreements, the 2015 Notes, the 2020 Notes, the SunBelt Guarantee and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings, of any of the foregoing agreements or documents, *provided* that the amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings, in the good faith judgment of the Company, are not materially more restrictive, taken as a whole, with respect to such dividend or other payment restrictions than those contained in these agreements on the Issue Date or refinancings thereof;

(2) any encumbrance or restriction pursuant to an agreement relating to an acquisition of property, so long as the encumbrances or restrictions in any such agreement relate solely to the property so acquired (and are not or were not created in anticipation of or in connection with the acquisition thereof);

(3) any encumbrance or restriction which exists with respect to a Person that becomes a Restricted Subsidiary or merges with or into a Restricted Subsidiary of the Company on or after the Issue Date, which is in existence at the time such Person becomes a Restricted Subsidiary, but not created in connection with or in anticipation of such Person becoming a Restricted Subsidiary, and which is not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person becoming a Restricted Subsidiary;

(4) any instrument governing Debt or Capital Interests of a Person acquired by the Company or any of the Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Debt or Capital Interests was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Debt, such Debt was permitted by the terms of this Indenture to be Incurred;

(5) any encumbrance or restriction under this Indenture, the Notes and any Note Guarantees;

(6) any encumbrance or restriction pursuant to an agreement effecting a permitted renewal, refunding, replacement, refinancing or extension of Debt issued pursuant to an agreement containing any encumbrance or restriction referred to in the foregoing clauses (b) through (e), so long as the encumbrances and restrictions contained in any such renewal, refunding, replacement, refinancing or extension agreement are no less favorable in any material respect to the Holders than the encumbrances and restrictions contained in the agreements governing the Debt being renewed, refunded, replaced, refinanced or extended in the good faith judgment of the Company;

(7) customary provisions restricting subletting or assignment of any lease, contract, or license of the Company or any Restricted Subsidiary or provisions in agreements that restrict the assignment of such agreement or any rights thereunder;

(8) any encumbrance or restriction by reason of applicable law, rule, regulation, order, license, permit or similar restriction;

(9) any encumbrance or restriction under the sale of assets or Capital Interests, including, without limitation, any agreement for the sale or other disposition of a Subsidiary that restricts distributions by that Subsidiary pending its sale or other disposition;

(10) restrictions on cash and other deposits or net worth imposed by customers under contracts entered into the ordinary course of business;

(11) customary provisions with respect to the disposition or distribution of assets or property in joint venture agreements, asset sale agreements, stock sale agreements, sale leaseback agreements and other similar agreements;

(12) purchase money obligations (including Capital Lease Obligations) for property acquired in the ordinary course of business that impose restrictions on that property so acquired of the nature described in clause (iii) of the first paragraph of this Section 4.8;

(13) Liens securing Debt otherwise permitted to be Incurred under this Indenture, including pursuant to Section 4.12, that limit the right of the debtor to dispose of the assets subject to such Liens;

(14) any Non-Recourse Receivable Subsidiary Indebtedness or other contractual requirements of a Receivable Subsidiary that is a Restricted Subsidiary in connection with a Qualified Receivables Transaction; *provided* that such restrictions apply only to such Receivable Subsidiary or the receivables and related assets described in the definition of Qualified Receivables Transaction which are subject to such Qualified Receivables Transaction;

(15) any other agreement governing Debt entered into after the Issue Date that contains encumbrances and restrictions that are not materially more restrictive with respect to any Restricted Subsidiary than those in effect on the Issue Date with respect to that Restricted Subsidiary pursuant to agreements in effect on the Issue Date; and

(16) existing under any agreement relating to Debt Incurred by Foreign Subsidiaries permitted to be Incurred pursuant to Section 4.7 and Refinancing Debt in respect thereof; *provided* that such restrictions are customary for a financing of such type and apply only to the Persons Incurring such Debt (including Guarantees thereof) and their Subsidiaries.

Nothing contained in this Section 4.8 shall prevent the Company or any Restricted Subsidiary from (i) creating, incurring, assuming or suffering to exist any Liens otherwise permitted under Section 4.12 or (ii) restricting the sale or other disposition of property or assets of the Company or any of its Restricted Subsidiaries that secure Debt of the Company or any of its Restricted Subsidiaries Incurred in accordance with Section 4.9 and Section 4.12 hereof.

SECTION 4.9 Limitation on Incurrence of Debt. The Company will not, and will not permit any of its Restricted Subsidiaries to, Incur any Debt (including Acquired Debt); *provided* that the Company and any of its Restricted Subsidiaries may Incur Debt (including Acquired Debt) if, immediately after giving effect to the Incurrence of such Debt and the receipt and application of the proceeds therefrom, (a) the Consolidated Fixed Charge Coverage Ratio of the Company and its Restricted Subsidiaries, determined on a pro forma basis as if any such Debt (including any other Debt, other than Debt Incurred under the revolving portion of a Credit Facility, being Incurred contemporaneously), and any other

Debt Incurred since the beginning of the Four Quarter Period (as defined in the definition of "Consolidated Fixed Charge Coverage Ratio") had been Incurred and the proceeds thereof had been applied at the beginning of the Four Quarter Period, and any other Debt repaid (other than Debt Incurred under the revolving portion of a Credit Facility) since the beginning of the Four Quarter Period had been repaid at the beginning of the Four Quarter Period, would be greater than 2.00 to 1.00 and (b) no Default or Event of Default shall have occurred and be continuing at the time or as a consequence of the Incurrence of such Debt.

If, during the Four Quarter Period or subsequent thereto and prior to the date of determination, the Company or any of its Restricted Subsidiaries, or any Person that subsequently became a Restricted Subsidiary or was merged with or into the Company or any of its Restricted Subsidiaries, shall have engaged in any Asset Sale or Asset Acquisition, Investments, mergers, consolidations, discontinued operations (as determined in accordance with GAAP) or shall have designated any Restricted Subsidiary to be an Unrestricted Subsidiary or any Unrestricted Subsidiary to be a Restricted Subsidiary, Consolidated Cash Flow Available for Fixed Charges and Consolidated Interest Expense for the Four Quarter Period shall be calculated on a pro forma basis giving effect to such Asset Sale or Asset Acquisition, Investments, mergers, consolidations, discontinued operations or designation, as the case may be, and the application of any proceeds therefrom as if such Asset Sale or Asset Acquisition, Investments, mergers, consolidations, discontinued operations or designation had occurred on the first day of the Four Quarter Period.

If the Debt which is the subject of a determination under this provision is Acquired Debt, or Debt Incurred in connection with the simultaneous acquisition of any Person, business, property or assets, or Debt of an Unrestricted Subsidiary being designated as a Restricted Subsidiary, then such ratio shall be determined by giving effect (on a pro forma basis, as if the transaction had occurred at the beginning of the Four Quarter Period) to (x) the Incurrence of such Acquired Debt or such other Debt by the Company or any of its Restricted Subsidiaries and (y) the inclusion, in Consolidated Cash Flow Available for Fixed Charges, of the Consolidated Cash Flow Available for Fixed Charges of the acquired Person, business, property or assets or redesignated Subsidiary.

Notwithstanding the first paragraph above, the Company and its Restricted Subsidiaries may Incur Permitted Debt.

For purposes of determining any particular amount of Debt under this Section 4.9, (x) Debt Incurred under the ABL Credit Agreement and Term Credit Agreement and outstanding on the Issue Date shall at all times be treated as Incurred pursuant to clause (i) of the definition of "Permitted Debt" and (y) Guarantees, Liens or obligations with respect to letters of credit supporting Debt otherwise included in the determination of such particular amount shall not be included. For purposes of determining any particular amount of Debt under this "Limitation on Incurrence of Debt" covenant, if obligations in respect of letters of credit are Incurred pursuant to the Credit Facilities and are being treated as Incurred pursuant to clause (i) of the definition of Permitted Debt and the letters of credit relate to other Debt, then such other Debt shall not be deemed to have been Incurred. For purposes of determining compliance with this Section 4.9, in the event that an item of Debt meets the criteria of more than one of the types of Debt described above, including categories of Permitted Debt and under part (a) of the first paragraph in this Section 4.9, the Company, in its sole discretion, may classify and divide, and from time to time may reclassify and redivide, all or any portion of such item of Debt, except as set forth in clause (x) in the first sentence of this paragraph. For purposes of determining compliance of any non-U.S. dollar-denominated Debt with this Section 4.9, the amount outstanding under U.S. dollar-equivalent principal amount of Debt denominated in a foreign currency shall at all times be calculated based on the relevant currency exchange rate in effect on the date such Debt was Incurred, in the case of the term Debt, or first committed, in the cases of the revolving credit Debt; *provided*, *however*, that if such Debt is Incurred to refinance other

Debt denominated in the same or different currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such Refinancing Debt does not exceed the principal amount of such Debt being refinanced.

The Company and any Guarantor will not Incur any Debt that pursuant to its terms is subordinate or junior in right of payment to any Debt unless such Debt is subordinated in right of payment to the Notes and the applicable Note Guarantee to the same extent; *provided* that Debt will not be considered subordinate or junior in right of payment to any other Debt solely by virtue of being unsecured or secured to a greater or lesser extent or with greater or lower priority or by virtue of structural subordination.

SECTION 4.10 Limitation on Asset Sales. The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the applicable Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value of the assets or Capital Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash or Eligible Cash Equivalents. For purposes of this clause (2), each of the following will be deemed to be cash:

(i) any liabilities, as shown on the most recent consolidated balance sheet of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Note Guarantee), or any Guarantees of Debt (including, without limitation, the SunBelt Guarantee) of Persons other than the Company or its Restricted Subsidiaries, that are assumed (contractually or otherwise) by the person acquiring such assets to the extent that the Company and its Restricted Subsidiaries have no further liability with respect to such liabilities;

(ii) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 180 days of their receipt to the extent of the cash received in that conversion;

(iii) any stock or assets of the kind referred to in clauses (ii) or (iv) of the next paragraph of this Section 4.10; and

(iv) any Designated Non-Cash Consideration received by the Company or its Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (iv) that is at that time outstanding in the aggregate, not to exceed the greater of (i) $35.0 million and (ii) 1.25% of the Company's Consolidated Total Assets, in each case at the time of the receipt of such Designated Non-Cash Consideration, with the Fair Market Value of each item of Designated Non-Cash Consideration measured at the time received and without giving effect to subsequent changes in value.

Within 365 days after the receipt of any Net Cash Proceeds from an Asset Sale, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Cash Proceeds at its option:

(i) to permanently repay Debt and, if the Obligation repaid is revolving credit Debt, to correspondingly reduce commitments with respect thereto (A) under the Credit Facilities, (B) other Debt outstanding on the Issue Date (other than Debt subordinated by its terms to the Notes) with a Stated Maturity priority to the maturity of the Notes, including, without limitation, the 2015 Notes, (C) other Debt of the Company, other than Debt that is owed to a Restricted Subsidiary, which is secured by a Lien that is permitted by this Indenture, and to correspondingly reduce commitments with respect thereto (other than Debt subordinated by its terms to the Notes) and (D) Debt of any Restricted Subsidiary that is not a Guarantor of the Notes;

(ii) to acquire all or substantially all of the assets of, or any Capital Interests of, another Permitted Business, if, after giving effect to any such acquisition of Capital Interests, the Permitted Business is or becomes a Restricted Subsidiary of the Company;

(iii) to make a capital expenditure in or that is used or useful in a Permitted Business or to make expenditures for maintenance, repair or improvement of existing properties and assets in accordance with the provisions of this Indenture;

(iv) to acquire other assets (other than inventory) that are used or useful in a Permitted Business;

(v) to repay or repurchase Debt secured by the assets of the Company or any Restricted Subsidiaries; or

(vi) any combination of the foregoing.

In addition to the foregoing, any acquisition of the type described in clauses (ii) or (iv) and/or any capital expenditure described in clause (iii), in each case made within 180 days prior to an Asset Sale, shall be deemed to satisfy this paragraph with respect to the application of the Net Cash Proceeds from such Asset Sale.

Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraph of this Section 4.10 or that is not segregated from the general funds of the Company for investment as permitted by the foregoing clauses (ii), (iii) and (iv) in respect of a project that shall have been commenced, and for which binding contractual commitments have been entered into, prior to the end of such 365-day period and that shall not have been completed or abandoned shall constitute "*Excess Proceeds*"; *provided*, *however*, that the amount of any Net Cash Proceeds that cease to be so segregated as contemplated above and any Net Cash Proceeds that are segregated in respect of a project that is abandoned or completed shall also constitute "Excess Proceeds" at the time any such Net Cash Proceeds cease to be so segregated or at the time the relevant project is so abandoned or completed, as applicable; *provided further, however*, that the amount of any Net Cash Proceeds that continues to be segregated for investment and that is not actually reinvested within 540 days from the date of the receipt of such Net Cash Proceeds shall also constitute "Excess Proceeds."

When the aggregate amount of Excess Proceeds exceeds $40.0 million, the Company will (and at any time the Company may), within 30 days, make an Offer to Purchase to all Holders of Notes (with a copy to the Trustee) and to all holders of other Debt ranking *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to asset sales, equal to the Excess

Proceeds. The offer price in any Offer to Purchase will be equal to 100% of the principal amount plus accrued and unpaid interest to the date of purchase, and will be payable in cash. If any Excess Proceeds remain after consummation of an Offer to Purchase, the Company may use those funds for any purpose not otherwise prohibited by this Indenture and they will no longer constitute Excess Proceeds. If the aggregate principal amount of Notes and other *pari passu* debt tendered into such Offer to Purchase exceeds the amount of Excess Proceeds, the Trustee will select the Notes to be purchased on a pro rata basis among each series subject to the Depositary's procedures. Upon completion of each Offer to Purchase, the amount of Excess Proceeds will be reset at zero. Pending the final application of any Net Cash Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest the Net Cash Proceeds in any manner that is not prohibited by this Indenture.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Offer to Purchase. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of this Indenture, the Company will comply with the applicable securities laws and regulations and will be deemed to have complied with its obligations under the Asset Sale provisions of this Indenture by virtue of such compliance.

SECTION 4.11 Limitation on Transactions with Affiliates. The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction or series of related transactions, contract, agreement, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each of the foregoing, an "*Affiliate Transaction*") involving aggregate consideration in excess of $5.0 million, unless:

(i) such Affiliate Transaction is on terms that are not materially less favorable to the Company or the relevant Subsidiary than those that could reasonably be expected to have been obtained in a comparable arm's-length transaction by the Company or such Subsidiary with an unaffiliated party;

(ii) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $20.0 million, the Company delivers to the Trustee a resolution adopted in good faith by the majority of the Board of Directors of the Company approving such Affiliate Transaction and set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (i) above; and

(iii) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $40.0 million, the Company must obtain and deliver to the Trustee a written opinion of a nationally recognized investment banking, accounting or appraisal firm stating that the transaction is fair to the Company or such Restricted Subsidiary, as the case may be, from a financial point of view.

The foregoing limitations do not limit, and shall not apply to:

(1) Restricted Payments that are permitted by the provisions of this Indenture pursuant to Section 4.7 and Permitted Investments permitted under this Indenture;

(2) the payment of reasonable and customary compensation and indemnities and other benefits to members of the Board of Directors of the Company or a Restricted Subsidiary who are outside directors;

(3) the payment of reasonable and customary compensation (including awards or grants in cash or securities and other payments) and other benefits (including retirement, health, option, deferred compensation and other benefit plans) and indemnities to officers and employees of the Company or any Restricted Subsidiary as determined by the Board of Directors thereof in good faith;

(4) transactions between or among the Company and/or its Restricted Subsidiaries;

(5) any agreement or arrangement as in effect on the Issue Date and any amendment or modification thereto so long as such amendment or modification is not more disadvantageous to the Holders of the Notes in any material respect;

(6) any contribution of capital to the Company;

(7) transactions permitted by, and complying with, Section 5.1 hereof;

(8) any transaction with a joint venture, partnership, limited liability company or other entity that would constitute an Affiliate Transaction solely because the Company or a Restricted Subsidiary owns an equity interest in such joint venture, partnership, limited liability company or other entity;

(9) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business and on terms that are not materially less favorable to the Company or such Restricted Subsidiary, as the case may be, as determined in good faith by the Company, than those that could reasonably be expected to be obtained in a comparable arm's length transaction with a Person that is not an Affiliate of the Company;

(10) transactions effected as part of a Qualified Receivables Transaction;

(11) loans (or Guarantees of third-party loans) and advances to officers, directors and employees of the Company and Subsidiaries in an aggregate amount not to exceed $10.0 million at any one time outstanding for travel, entertainment, relocation and analogous ordinary business purposes;

(12) the issuance or sale of any Capital Stock (other than Disqualified Capital Stock) of the Company; and

(13) the Transactions and the payment of fees and expenses in connection with the Transactions.

SECTION 4.12 Limitation on Liens. The Company will not, and will not permit any of its Restricted Subsidiaries, directly or indirectly, to enter into, create, incur, assume or suffer to exist any Liens of any kind (other than Permitted Liens) (the "*Initial Liens*"), on or with respect to any of its property or assets now owned or hereafter acquired or any interest therein or any income or profits therefrom, which Liens secure Debt, without securing the Notes and all other amounts due under this Indenture equally and ratably with (or prior to) the Debt secured by such Lien until such time as such Debt is no longer secured by such Lien; *provided* that if the Debt so secured is subordinated by its terms to the Notes

or a Note Guarantee, the Lien securing such Debt will also be so subordinated by its terms to the Notes and the applicable Note Guarantee at least to the same extent. Any Lien created for the benefit of the Holders of the Notes pursuant to the foregoing sentence shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon the release and discharge of the Initial Lien.

SECTION 4.13 Limitation on Sale and Leaseback Transactions. The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any Sale and Leaseback Transaction unless:

(1) the consideration received in such Sale and Leaseback Transaction is at least equal to the Fair Market Value of the property sold,

(2) prior to and after giving effect to the Attributable Debt in respect of such Sale and Leaseback Transaction, the Company and such Restricted Subsidiary comply with Section 4.9, and

(3) at or after such time the Company and such Restricted Subsidiary also comply with Section 4.10, if applicable.

SECTION 4.14 Offer to Purchase upon Change of Control. Upon the occurrence of a Change of Control or, at the Company's option, prior to the consummation of a Change of Control but after it is publicly announced, unless the Company has exercised its right to redeem all of the Notes in accordance with Section 3.7, the Company will make an Offer to Purchase (the "*Change of Control Offer*") all of the outstanding Notes (with a copy to the Trustee) at a Purchase Price in cash equal to 101% of the principal amount tendered, together with accrued and unpaid interest (including Additional Interest), if any, to but not including the Purchase Date (the "*Change of Control Payment*"). For purposes of the foregoing, an Offer to Purchase shall be deemed to have been made if (i) within 60 days following the date of the consummation of a transaction or series of transactions that constitutes a Change of Control, the Company commences an Offer to Purchase all outstanding Notes at the Purchase Price (*provided* that the running of such 60-day period shall be suspended, for up to a maximum of 30 days, during any period when the commencement of such Offer to Purchase is delayed or suspended by reason of any court's or governmental authority's review of or ruling on any materials being employed by the Company to effect such Offer to Purchase, so long as the Company has used and continues to use its commercially reasonable efforts to make and conclude such Offer to Purchase promptly) and (ii) all Notes properly tendered pursuant to the Offer to Purchase are purchased on the terms of such Offer to Purchase.

The Change of Control provisions described above will be applicable whether or not any other provisions of this Indenture are applicable. Except as described above with respect to a Change of Control, this Indenture does not contain provisions that permit the Holders to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Company shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer contemporaneously with or upon a Change of Control, in the manner, at the times and otherwise in compliance with the requirements set forth herein applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of this Indenture, the Company will comply with the applicable securities laws and regulations and will be deemed to have complied with its obligations under the Change of Control provisions of this Indenture by virtue of such compliance.

In addition, an Offer to Purchase may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of launching the Offer to Purchase.

SECTION 4.15 Corporate Existence. Subject to Section 4.14 and Article V hereof, as the case may be, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence and the corporate, partnership, limited liability company or other existence of each of its Subsidiaries in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary and the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided* that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders.

SECTION 4.16 Limitation on Business Activities. The Company will not, and will not permit any Restricted Subsidiary to, engage in any business other than a Permitted Business.

SECTION 4.17 Limitation on Creation of Unrestricted Subsidiaries. The Company may designate any Subsidiary of the Company to be an "Unrestricted Subsidiary" including for purposes of Section 10.7(a) hereof, as provided below, in which event such Subsidiary and each other Person that is then or thereafter becomes a Subsidiary of such Subsidiary will be deemed to be an Unrestricted Subsidiary.

The Company may designate any Subsidiary to be an Unrestricted Subsidiary unless such Subsidiary owns any Capital Interests of, or owns or holds any Lien on any property of, any other Restricted Subsidiary of the Company, *provided* that either:

(x) the Subsidiary to be so designated has total assets of $1,000 or less; or

(y) the Company could make a Restricted Payment at the time of designation in an amount equal to the Fair Market Value of such Subsidiary pursuant to Section 4.7 and such amount is thereafter treated as a Restricted Payment for the purpose of calculating the amount available for Restricted Payments thereunder.

An Unrestricted Subsidiary may be designated as a Restricted Subsidiary if (i) all the Debt of such Unrestricted Subsidiary could be Incurred pursuant to Section 4.9 and (ii) all the Liens on the property and assets of such Unrestricted Subsidiary could be incurred pursuant to Section 4.12.

SECTION 4.18 Maintenance of Properties; Insurance; Books and Records.

(a) Subject to, and in compliance with, the provisions of Article X, the Issuer shall cause all material properties used or useful in the conduct of its business or the business of any Guarantor to be maintained and kept in good operating condition, repair and working order (ordinary wear and tear and casualty loss excepted) and supplied with all necessary equipment and shall cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereto; *provided* that the Issuer shall not be obligated to make such repairs, renewals, replacements, betterments and improvements that would not result in a material adverse effect on the ability of the Issuer or any Guarantors to satisfy its obligations under the Notes, any Guarantees and this Indenture.

(b) The Issuer shall maintain, and shall cause any Guarantor to maintain, insurance with responsible carriers against such risks and in such amounts, and with such deductibles, retentions, self-insured amounts and co-insurance provisions, as are customarily carried by similar businesses or similar size in the locations which such business is conducted, including property and casualty loss, workers' compensation and interruption of business insurance.

(c) The Issuer shall, and shall cause any Guarantor to, keep proper books of record and account, in which full and correct entries shall be made of all financial transactions of the Issuer and any Guarantor, in accordance with GAAP.

SECTION 4.19 Covenant Suspension.

(a) If on any date following the date of this Indenture:

(i) the Notes are rated Baa3 or higher by Moody's and BBB- or higher by S&P (or, if either such entity ceases to rate the Notes for reasons outside of the control of the Company, the equivalent investment grade credit rating from any other "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) under the Exchange Act selected by the Company as a replacement agency); and

(ii) no Default or Event of Default shall have occurred and be continuing;

then, beginning on that date and subject to the provisions of the following paragraph, the covenants specifically listed in Sections 4.7, 4.8, 4.9, 4.10, 4.11, 4.13, 4.16, 4.17 and clause (c) of Section 5.1 will be suspended ("*covenant suspension*").

(b) During any period that the foregoing covenants have been suspended, the Company's Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries unless such designation would have been permitted pursuant Section 4.17 if a suspension period had not been in effect at such time.

(c) Upon the occurrence of a covenant suspension event, the amount of Net Cash Proceeds shall be set at zero.

(d) Notwithstanding the foregoing, if the rating assigned by either such rating agency should subsequently decline and the Notes are not rated Baa3 or higher by Moody's and BBB- or higher by S&P (or, if either such entity ceases to rate the Notes for reasons outside of the control of the Company, the equivalent investment grade credit rating from any other "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) under the Exchange Act, selected by the Company as a replacement agency), the foregoing covenants will be reinstated as of and from the date of such rating decline ("*covenant reinstatement*"). Calculations under the reinstated Section 4.7 will be made as if Section 4.7 had been in effect since the date of this Indenture, except that no Default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. Debt Incurred during any suspension period will be classified initially to have been Incurred pursuant to clause (ii) of the definition of "Permitted Debt." Notwithstanding that the suspended covenants may be reinstated, no Default will be deemed to have occurred as a result of a failure to comply with such suspended covenants during any suspension period (or upon termination of any covenant suspension period or after that time based solely on events that occurred during the suspension period). The Company shall

provide an Officer's Certificate to the Trustee indicating the occurrence of any suspended or reinstated covenants. The Trustee shall have no obligation to independently determine or verify if such events have occurred or notify the Holders of any suspended or reinstated covenants. The Trustee may provide a copy of such Officer's Certificate to any Holder of Notes upon request.

SECTION 4.20 Note Guarantee. The Company will not permit any Restricted Subsidiary (other than a Foreign Subsidiary or a Receivable Subsidiary) to (1) Incur any Debt (other than (A) Debt Incurred pursuant to clauses (iv), (v), (viii), (ix), (x), (xi), (xii), (xiii), (xiv), (xvi), (xviii), (xix), (xx) or (xxi) (in the case of clause (xx), such Refinancing Debt only with respect to such foregoing clauses of the definition of "Permitted Debt") of the definition of "Permitted Debt" and (B) other Debt having an aggregate principal amount for all non-Guarantors (other than Foreign Subsidiaries or Receivable Subsidiaries) not in excess of $35.0 million at any one time outstanding; *provided* that, in the case of clause (B), at the time of, and after giving effect to, the Incurrence of such Debt the Company could Incur $1.00 of additional Debt (other than Permitted Debt) under the provisions described in the first paragraph of Section 4.9) or (2) Guarantee any Debt securities of the Company or a Restricted Subsidiary unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to this Indenture substantially in the form of Exhibit E to this Indenture providing for a Note Guarantee by such Restricted Subsidiary; *provided* that any Subsidiary that is an Immaterial Subsidiary shall not be required to become a Guarantor only if such Subsidiary continues to constitute an Immaterial Subsidiary.

If the Guaranteed Debt is subordinated in right of payment to the Notes, pursuant to a written agreement to that effect, the Guarantee of such Guaranteed Debt must be subordinated in right of payment to the Note Guarantee to at least the extent that the Guaranteed Debt is subordinated to the Notes.

ARTICLE V

SUCCESSORS

SECTION 5.1 Consolidation, Merger, Conveyance, Transfer or Lease. The Company will not in any transaction or series of transactions, consolidate with or merge into any other Person (other than a merger of a Restricted Subsidiary into the Company in which the Company is the continuing Person or the merger of a Restricted Subsidiary into or with another Restricted Subsidiary or another Person that as a result of such transaction becomes or merges into a Restricted Subsidiary), or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of the assets of the Company and its Restricted Subsidiaries (determined on a consolidated basis), taken as a whole, to any other Person, unless:

(a) either: (i) the Company shall be the continuing Person or (ii) the Person (if other than the Company) formed by such consolidation or into which the Company is merged, or the Person that acquires, by sale, assignment, conveyance, transfer, lease or other disposition, all or substantially all of the property and assets of the Company (such Person, the "*Surviving Entity*"), (1) shall be a corporation, partnership, limited liability company or similar entity organized and validly existing under the laws of the United States, any political subdivision thereof or any state thereof or the District of Columbia and (2) shall expressly assume, by a supplemental indenture, the due and punctual payment of all amounts due in respect of the principal of (and premium, if any) and interest on all the Notes and the performance of the covenants and obligations of the Company under this Indenture and expressly assume, by a joinder thereto, all obligations under the Registration Rights Agreement; *provided* that at any time the Company or its successor is not a corporation, there shall be a co-issuer of the Notes that is a corporation;

(b) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (including, without limitation, any Debt Incurred or anticipated to be Incurred in connection with or in respect of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing or would result therefrom;

(c) immediately after giving effect to any such transaction or series of transactions on a *pro forma* basis (including, without limitation, any Debt Incurred or anticipated to be Incurred in connection with or in respect of such transaction or series of transactions) as if such transaction or series of transactions had occurred on the first day of the determination period, the Company (or the Surviving Entity if the Company is not continuing) could Incur $1.00 of additional Debt (other than Permitted Debt) under the provisions described in the first paragraph of Section 4.9 or the Fixed Charge Coverage Ratio would not be less than immediately prior to such transaction or series of transactions; and

(d) the Company delivers, or causes to be delivered, to the Trustee, in form satisfactory to the Trustee, an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, sale, conveyance, assignment, transfer, lease or other disposition complies with the requirements of this Indenture.

Notwithstanding the foregoing, failure to satisfy the requirements of the preceding clauses (b) and (c) will not prohibit:

(i) a merger between the Company and a Restricted Subsidiary that is a wholly owned Subsidiary of the Company; or

(ii) a merger between the Company and an Affiliate solely for the purpose of converting the Company into a corporation organized under the laws of the United States or any political subdivision or state thereof;

so long as the amount of Debt of the Company and its Restricted Subsidiaries is not increased thereby.

For all purposes of this Indenture and the Notes, Subsidiaries of any Surviving Entity will, upon such transaction or series of transactions, become Restricted Subsidiaries or Unrestricted Subsidiaries as provided pursuant to this Indenture and all Debt, and all Liens on property or assets, of the Surviving Entity and its Subsidiaries that was not Debt, or were not Liens on property or assets, of the Company and its Subsidiaries immediately prior to such transaction or series of transactions shall be deemed to have been Incurred upon such transaction or series of transactions.

Upon any transaction or series of transactions that are of the type described in, and are effected in accordance with, conditions described in this Section 5.1, the Surviving Entity shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer, under this Indenture with the same effect as if such Surviving Entity had been named as the Issuer therein; and when a Surviving Person duly assumes all of the obligations and covenants of the Issuer pursuant to this Indenture, the Notes and the Registration Rights Agreement, except in the case of a lease, the predecessor Person shall be relieved of all such obligations.

SECTION 5.2 Successor Person Substituted. Upon any consolidation or merger, or any sale, assignment, conveyance, transfer, lease or other disposition of all or substantially all of the assets of the Company in accordance with Section 5.1 hereof, the successor corporation formed by such consolidation or into or with which the Company (and, if necessary, any co-issuer) is merged or to which such sale, assignment, conveyance, transfer, lease or other disposition is made shall succeed to, and be

substituted for (so that from and after the date of such consolidation, merger, sale, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Company" shall refer instead to the successor corporation and not to the Company), and shall exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein and when such successor Person duly assumes all the obligations and covenants of the Company pursuant to this Indenture and the Notes the predecessor Person shall be relieved of all such obligations; *provided*, *however*, that in the event of a transfer or lease, the predecessor shall not be released from the payment of principal and interest or other obligations on the Notes.

ARTICLE VI

DEFAULTS AND REMEDIES

SECTION 6.1 Events of Default. Each of the following constitutes an "*Event of Default*":

(1) default in the payment in respect of the principal of (or premium, if any, on) any Note when due and payable (whether at Stated Maturity or upon repurchase, acceleration, optional redemption or otherwise);

(2) default in the payment of any interest upon any Note when it becomes due and payable, and continuance of such default for a period of 30 days;

(3) failure to perform or comply with Section 4.3 and continuance of such failure to perform or comply for a period of 120 days after written notice thereof has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes;

(4) except as permitted by this Indenture, any Note Guarantee of any Significant Subsidiary (or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary) shall for any reason cease to be, or it shall be asserted by any Guarantor or the Company not to be, in full force and effect and enforceable in accordance with its terms;

(5) default in the performance, or breach, of any covenant or agreement of the Company or any Guarantor in this Indenture (other than a covenant or agreement a default in whose performance or whose breach is specifically dealt with in clauses (1), (2), (3) or (4) above), and continuance of such default or breach for a period of 60 days after written notice thereof has been given to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes;

(6) a default or defaults under any bonds, debentures, notes or other evidences of Debt (other than the Notes) by the Company or any Restricted Subsidiary having, individually or in the aggregate, a principal or similar amount outstanding of at least $40.0 million, whether such Debt now exists or shall hereafter be created, which default or defaults shall have resulted in the acceleration of the maturity of such Debt prior to its express maturity or shall constitute a failure to pay at least $40.0 million of such Debt when due and payable after the expiration of any applicable grace period with respect thereto;

(7) the entry against the Company or any Restricted Subsidiary that is a Significant Subsidiary of a final judgment or final judgments for the payment of money in an aggregate amount in excess of $40.0 million (net of any amounts covered by insurance where coverage has not been disclaimed or denied), by a court or courts of competent jurisdiction, which judgment or judgments remain undischarged, unwaived, unstayed, unbonded or unsatisfied for a period of 60 consecutive days; or

(8) (i) the Company, any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case;

(B) consents to the entry of an order for relief against it in an involuntary case;

(C) consents to the appointment of a custodian of it or for all or substantially all of its property;

(D) makes a general assignment for the benefit of its creditors; or

(E) generally is not paying its debts as they become due; or

(ii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, in an involuntary case;

(B) appoints a custodian of the Company or any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries; or

(C) orders the liquidation of the Company or any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary,

and the order or decree under this clause (ii) remains unstayed and in effect for 60 consecutive days.

SECTION 6.2 Acceleration. If an Event of Default (other than an Event of Default specified in clause (8) of Section 6.1 with respect to the Company) occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in aggregate principal amount of the outstanding Notes may declare the principal of the Notes and any accrued interest (including Additional Interest), if any, on the Notes to be due and payable immediately by a notice in writing to the Company (and to the Trustee if given by Holders); *provided*, *however*, that after such acceleration, but before a judgment or decree based on acceleration, the Holders of a majority in aggregate principal amount of the outstanding Notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal of or interest (including Additional Interest), if any, on the Notes, have been cured or waived as provided in this Indenture and all amounts owing to the Trustee have been paid.

In the event of a declaration of acceleration of the Notes solely because an Event of Default described in clause (6) of Section 6.1 has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically rescinded and annulled if the event of default or payment default triggering such Event of Default pursuant to clause (6) of Section 6.1 shall be remedied or cured by the Company or a Restricted Subsidiary of the Company or waived by the holders of the relevant Debt within 20 Business Days after the declaration of acceleration with respect thereto and if the rescission and annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction obtained by the Trustee for the payment of amounts due on the Notes.

If an Event of Default specified in clause (8) of Section 6.1 occurs with respect to the Company, the principal of and any accrued interest on the Notes then outstanding shall *ipso facto* become immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

SECTION 6.3 Other Remedies. If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, or interest (including Additional Interest, if any) on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

SECTION 6.4 Waiver of Past Defaults. The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under this Indenture except a continuing Default or Event of Default in the payment of interest (including Additional Interest, if any) on, or the principal of, the Notes (other than as a result of an acceleration), which shall require the consent of all of the Holders of the Notes then outstanding.

SECTION 6.5 Control by Majority. The Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust power conferred on it. However, (i) the Trustee may refuse to follow any direction that conflicts with law or this Indenture, that the Trustee determines may be unduly prejudicial to the rights of other Holders or that may involve the Trustee in personal liability, and (ii) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

SECTION 6.6 Limitation on Suits. A Holder may pursue a remedy with respect to this Indenture or the Notes only if:

(1) the Holder gives to the Trustee written notice of a continuing Event of Default or the Trustee receives such notice from the Company;

(2) the Holders of at least 25% in aggregate principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer and, if requested, provide to the Trustee indemnity or security reasonably satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer and, if requested, the provision of such indemnity or security; and

(5) during such 60-day period the Holders of a majority in aggregate principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with the request.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

SECTION 6.7 Rights of Holders of Notes to Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal, premium, if any, and interest (including Additional Interest, if any) on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 6.8 Collection Suit by Trustee. If an Event of Default specified in Section 6.1(1) or (2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal of, premium and interest (including Additional Interest, if any) remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest (including Additional Interest, if any) and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

SECTION 6.9 Trustee May File Proofs of Claim. The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Issuer (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other securities or property payable or deliverable upon the conversion or exchange of the Notes or on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.7 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.7 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding. The Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' or other similar committee.

SECTION 6.10 Priorities. Any money collected by the Trustee pursuant to this Article VI and any money or other property distributable in respect of the Company's or any Guarantor's obligations under this Indenture after an Event of Default shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest (including Additional Interest, if any) upon presentation of the Notes and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

First: to the Trustee (including any predecessor Trustee), its agents and attorneys for amounts due under Section 7.7 hereof, including payment of all reasonable compensation, expense and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest (including Additional Interest, if any), ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest (including Additional Interest, if any), respectively; and

Third: to the Issuer or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

SECTION 6.11 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.7 hereof, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes.

ARTICLE VII

TRUSTEE

SECTION 7.1 Duties of Trustee.

(a) If an Event of Default of which the Trustee has knowledge has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) Except during the continuance of an Event of Default of which the Trustee has knowledge:

(i) the duties of the Trustee shall be determined solely by the express provisions of this Indenture and the TIA and the Trustee need perform only those duties that are specifically set forth in this Indenture or the TIA and no others; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions specifically required to be furnished to it to determine whether or not they conform as to form with the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts or conclusions stated therein).

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraphs (b) or (e) of this Section 7.1;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.5 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c), (e) and (f) of this Section 7.1.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of its duties or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk is not reasonably assured to it.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) The Trustee shall not be charged with knowledge of any Event of Default unless either (1) a Responsible Officer shall have actual knowledge of such Event of Default or (2) written notice of such Event of Default shall have been received by a Responsible Officer in accordance with the provisions of this Indenture.

(h) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers or duties hereunder. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty of the Trustee.

SECTION 7.2 Rights of Trustee.

(a) The Trustee, as Trustee and acting in each of its capacities hereunder, may rely and shall be protected in acting or refraining from acting on any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in any such document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel of the Trustee's own choosing and the Trustee shall be fully protected from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance on the advice or opinion of such counsel or on any Opinion of Counsel.

(c) The Trustee may act through its agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture, provided that the Trustee's conduct does not constitute negligence. Any request or direction of the Issuer mentioned herein shall be sufficiently evidenced by an Officer's Certificate and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution. Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officer's Certificate.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company or a Guarantor shall be sufficient if signed by an Officer of the Company or such Guarantor.

(f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders shall have offered to the Trustee security and indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

(g) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or documents, or inquire as to the performance by the Company of any of its covenants in this Indenture, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine during normal business hours the books, records and premises of the Company or any Guarantor, personally or by agent or attorney at the sole cost of the Company, and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(h) The rights, privileges, protections and benefits given to the Trustee, including, without limitation, its rights to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each Agent, custodian and other Persons employed to act hereunder.

(i) The Trustee may request that the Company deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer's Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

(j) Delivery of reports, information and documents to the Trustee under Section 4.3 is for informational purposes only and the Trustee's receipt of the foregoing shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of their covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

(k) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

SECTION 7.3 Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest as defined in TIA § 310(b), it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

SECTION 7.4 Trustee's Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Indenture or the Notes or Note Guarantees, and it shall not be accountable for the Issuer's use of the proceeds from the Notes or any money paid to the Issuer's or upon the Issuer's direction under any provision of this Indenture, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recitals herein or any statement in the Notes, any statement or recital in the Offering Memorandum or any document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication on the Notes.

SECTION 7.5 Notice of Defaults. If a Default occurs and is continuing and if it is actually known to a Responsible Officer of the Trustee, the Trustee shall send electronically or mail to Holders a notice of the Default within 90 days after it occurs. Except in the case of a Default in payment of principal of, premium, if any, or interest (including Additional Interest, if any), on any Note, the Trustee may withhold the notice if and so long as the Trustee in good faith determines that withholding the notice is in the interests of the Holders.

SECTION 7.6 Reports by Trustee to Holders of the Notes. Within 60 days after each February 15 beginning February 15, 2014, and for so long as Notes remain outstanding, the Trustee shall send to the Holders a brief report dated as of such reporting date that complies with TIA § 313(a) (but if no event described in TIA § 313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA § 313(b). The Trustee shall also transmit by mail all reports as required by TIA § 313(c).

A copy of each report at the time of its delivery to the Holders shall be mailed or delivered to the Company and filed with the Commission and each stock exchange on which the Company has informed the Trustee in writing the Notes are listed in accordance with TIA § 313(d). The Company shall promptly notify the Trustee when the Notes are listed on any stock exchange and of any delisting thereof.

SECTION 7.7 Compensation and Indemnity. The Issuer shall pay to the Trustee from time to time compensation for its acceptance of this Indenture and services hereunder as the parties will agree from time to time. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuer shall reimburse the Trustee promptly upon request for all reasonable out of pocket expenses incurred by it. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel.

The Issuer and any Guarantors, jointly and severally, shall indemnify the Trustee (which for purposes of this Section 7.7 shall include its officers, directors, employees and agents) against any and all claims, damages, losses, liabilities or expenses (including attorneys' fees) incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Issuer or any Guarantor (including this Section 7.7) and defending itself against any claim (whether asserted by the Issuer or any Holder or any other Person) or liability in connection with the exercise or performance of any of its rights, powers or duties hereunder except to the extent any such loss, claim, damage, liability or expense may be attributable to its negligence, willful misconduct or bad faith. The Trustee shall notify the Issuer promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Issuer shall not relieve the Issuer of its obligations hereunder. The Trustee may have separate counsel and the Issuer shall pay the reasonable fees and expenses of one such counsel. The Issuer need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. Under no circumstances shall the Trustee be liable for any consequential or punitive damages of any kind.

The Company need not reimburse any expense or indemnify against any loss or liability incurred by the Trustee or by any officer, director, employee, shareholder or agent of the Trustee through negligence or bad faith.

The obligations of the Issuer and any Guarantor under this Section 7.7 shall survive the satisfaction and discharge or termination for any reason of this Indenture or the resignation or removal of the Trustee.

To secure the Issuer's and any Guarantor's obligations in this Section 7.7, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal or interest (including Additional Interest, if any) on particular Notes. Such Lien shall survive the satisfaction and discharge or termination for any reason of this Indenture and the resignation or removal of the Trustee.

In addition, and without prejudice to the rights provided to the Trustee under any of the provisions of this Indenture, when the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.1(8) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

"Trustee" for the purposes of this Section 7.7 shall include any predecessor Trustee and the Trustee in each of its capacities hereunder and each agent, custodian and other person employed to act hereunder; *provided*, *however*, that the negligence, willful misconduct or bad faith of any Trustee hereunder shall not affect the rights of any other Trustee hereunder.

The Trustee shall comply with the provisions of TIA § 313(b)(2) to the extent applicable.

SECTION 7.8 Replacement of Trustee. A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.8.

The Trustee may resign at any time and be discharged from the trust hereby created by so notifying the Issuer in writing. The Holders of a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuer in writing. The Issuer may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a Custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer shall notify each Holder of such event and shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of all outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Promptly after that, the retiring Trustee shall transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided in Section 7.7 hereof, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. A successor Trustee shall deliver notice of its succession to each Holder.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the Holders of at least a majority in principal amount of all outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10 hereof, any Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

The Issuer's and any Guarantor's obligations under Section 7.7 hereof shall continue for the benefit of the retiring Trustee.

SECTION 7.9 Successor Trustee by Merger, Etc. If the Trustee or any Agent consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another Person, the successor Person without any further act shall be the successor Trustee or any Agent, as applicable.

SECTION 7.10 Eligibility; Disqualification. There shall at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power and that is subject to supervision or examination by federal or state authorities. The Trustee together with its affiliates shall at all times have a combined capital and surplus of at least $50.0 million as set forth in its most recent annual report of condition.

This Indenture shall always have a Trustee who satisfies the requirements of TIA §§ 310(a)(l), (2) and (5). The Trustee shall be subject to TIA § 310(b) including the provision in § 310(b)(1); *provided* that there shall be excluded from the operation of TIA § 310(b)(1) any indenture or indentures under which other securities, or certificates of interest or participation in other securities, or series of securities under this Indenture, of the Issuer or any Guarantor are outstanding if the requirements for exclusion set forth in TIA § 310(b)(1) are met.

SECTION 7.11 Preferential Collection of Claims Against the Issuer. The Trustee is subject to TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

SECTION 7.12 Trustee's Application for Instructions from the Issuer. Any application by the Trustee for written instructions from the Issuer may, at the option of the Trustee, set forth in writing any action proposed to be taken or omitted by the Trustee under this Indenture and the date on and/or after which such action shall be taken or such omission shall be effective. The Trustee shall not be liable for any action taken by, or omission of, the Trustee in accordance with a proposal included in such application on or after the date specified in such application (which date shall not be less than twenty Business Days after the date any officer of the Issuer actually receives such application, unless any such officer shall have consented in writing to any earlier date) unless prior to taking any such action (or the effective date in the case of an omission), the Trustee shall have received written instructions in response to such application specifying the action to be taken or omitted.

SECTION 7.13 Calculations in Respect of Securities. The Company will be responsible for making calculations called for under the Securities. These calculations include, but are not limited to, determination of premiums, if any, additional amounts, if any, original issue discount, if any, and conversion rates and adjustments, if any. The Company will make the calculations in good faith and, absent manifest error, its calculations will be final and binding on the Holders of the Securities. The Company will provide a schedule of its calculations to the Trustee when applicable, and the Trustee is entitled to rely conclusively on the accuracy of the Company's calculations without independent verification. The Trustee shall forward the Company's calculations to any Holder of the Notes upon the written request of such Holder.

ARTICLE VIII

DEFEASANCE AND COVENANT DEFEASANCE

SECTION 8.1 Option to Effect Defeasance or Covenant Defeasance. The Issuer may, at the option of its Board of Directors evidenced by a Board Resolution set forth in an Officer's Certificate, at any time, elect to have either Section 8.2 or 8.3 hereof applied to all outstanding Notes upon compliance with the conditions set forth below in this Article VIII.

SECTION 8.2 Defeasance and Discharge. Upon the Issuer's exercise under Section 8.1 hereof of the option applicable to this Section 8.2, the Issuer shall, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "*defeasance*"). For this purpose, defeasance means that the Issuer shall be deemed to have paid and discharged the entire Debt represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.5 hereof and the other Sections of this Indenture referred to in (a) and (b) below, and to have satisfied all of its other obligations under such Notes and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, and interest (including Additional Interest, if any) on such Notes when such payments are due from the trust referred to in Section 8.4(1); (b) the Issuer's obligations with respect to such Notes under Sections 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.10 and 4.2 hereof; (c) the rights, powers, trusts, benefits and immunities of the Trustee, including without limitation thereunder, under Section 7.7, 8.5 and 8.7 hereof and the Issuer's obligations in connection therewith; (d) the Company's rights pursuant to Section 3.7; and (e) the provisions of this Article VIII. Subject to compliance with this Article VIII, the Issuer may exercise its option under this Section 8.2 notwithstanding the prior exercise of its option under Section 8.3 hereof.

SECTION 8.3 Covenant Defeasance. Upon the Issuer's exercise under Section 8.1 hereof of the option applicable to this Section 8.3, the Issuer shall, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, be released from its obligations under the covenants contained in Sections 4.3, 4.4, 4.7, 4.8, 4.9, 4.10, 4.11, 4.12, 4.13, 4.14, 4.16, 4.17 and 5.1 hereof with respect to the outstanding Notes on and after the date the conditions set forth below are satisfied (hereinafter, "*covenant defeasance*"), and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, covenant defeasance means that, with respect to the outstanding Notes, the Issuer or any of its Subsidiaries may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.1 hereof, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.1 hereof of the option applicable to this Section 8.3, subject to the satisfaction of the conditions set forth in Section 8.4 hereof, Sections 6.1(3) and (5) hereof shall not constitute Events of Default.

SECTION 8.4 Conditions to Defeasance or Covenant Defeasance. The following shall be the conditions to the application of either Section 8.2 or 8.3 hereof to the outstanding Notes:

In order to exercise either defeasance or covenant defeasance:

(1) the Issuer must irrevocably have deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to the benefits of the Holders of such Notes: (A) money in an amount, (B) U.S. government obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than the due date of any payment, money in an amount or (C) a combination thereof, in each case sufficient without reinvestment, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee to pay and discharge, the entire indebtedness in respect of the principal of and premium, if any, and interest (including Additional Interest, if any) on such Notes on the Stated Maturity thereof or (if the Issuer has made irrevocable arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name and at the expense of the Issuer) the redemption date thereof, as the case may be, in accordance with the terms of this Indenture and such Notes;

(2) in the case of defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this Indenture, there has been a change in the applicable United States federal income tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the Holders of such Notes will not recognize gain or loss for United States federal income tax purposes as a result of the deposit, defeasance and discharge to be effected with respect to such Notes and will be subject to United States federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, defeasance and discharge were not to occur;

(3) in the case of covenant defeasance, the Issuer shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such outstanding Notes will not recognize gain or loss for United States federal income tax purposes as a result of the deposit and covenant defeasance to be effected with respect to such Notes and will be subject to federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and covenant defeasance were not to occur;

(4) no Default or Event of Default with respect to the outstanding Notes shall have occurred and be continuing at the time of such deposit after giving effect thereto (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the grant of any Lien to secure such borrowing);

(5) such defeasance or covenant defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the TIA (assuming all Notes are in default within the meaning of the TIA);

(6) such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or material instrument (other than this Indenture) to which the Company is a party or by which the Company is bound; and

(7) the Company shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such defeasance or covenant defeasance have been complied with.

Notwithstanding the foregoing, the Opinion of Counsel required by clause (b) above with respect to a defeasance need not to be delivered if all Notes not therefore delivered to the Trustee for cancellation (x) have become due and payable, or (y) will become due and payable at Stated Maturity within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company.

SECTION 8.5 Deposited Money and Government Securities to Be Held in Trust; Other Miscellaneous Provisions. Subject to Section 8.6 hereof, all money and non-callable U.S. government obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.5, the "*Trustee*") pursuant to Section 8.4 hereof in respect of the outstanding Notes shall be held in trust, shall not be invested, and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company or any Subsidiary acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest (including Additional Interest, if any), but such money need not be segregated from other funds except to the extent required by law.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. government obligations deposited pursuant to Section 8.4 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article VIII to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuer from time to time upon the written request of the Issuer and be relieved of all liability with respect to any money or non-callable U.S. government obligations held by it as provided in Section 8.4 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.4(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent defeasance or covenant defeasance.

SECTION 8.6 Repayment to Issuer. Subject to applicable abandoned property law, any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of, premium, if any, or interest (including Additional Interest, if any) on any Note and remaining unclaimed for one year after such principal and premium, if any, or interest (including Additional Interest, if any) has become due and payable shall be paid to the Issuer on its written request or (if then held by the Issuer) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustee thereof, shall thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuer cause to be published once, in *The New York Times* and *The Wall Street Journal* (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining shall be repaid to the Issuer.

SECTION 8.7 Reinstatement. If the Trustee or Paying Agent is unable to apply any United States dollars or non-callable U.S. government obligations in accordance with Section 8.2 or 8.3 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations of the Issuer under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.2 or 8.3 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.2 or 8.3 hereof, as the case may be; *provided, however*, that, if the Issuer makes any payment of principal of, premium, if any, or interest (including Additional Interest, if any) on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE IX

AMENDMENT, SUPPLEMENT AND WAIVER

SECTION 9.1 Without Consent of Holders of the Notes. Notwithstanding Section 9.2 of this Indenture, without the consent of any Holders, the Issuer, any Guarantors (except that any existing Guarantors need not execute a supplemental indenture entered into pursuant to clause (7) below) and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental to this Indenture and any Note Guarantees for any of the following purposes:

(1) to evidence the succession of another Person to the Company and the assumption by any such successor of the covenants of the Company in this Indenture, any Note Guarantees and the Notes;

(2) to add to the covenants of the Company for the benefit of the Holders, to surrender any right or power herein conferred upon the Issuer, or to secure the Notes;

(3) to add additional Events of Default;

(4) to provide for uncertificated Notes in addition to or in place of the Certificated Notes;

(5) to evidence and provide for the acceptance of appointment under this Indenture by a successor Trustee;

(6) to provide for or confirm the issuance of Additional Notes in accordance with the terms of this Indenture;

(7) to add a Guarantor or to release a Guarantor in accordance with this Indenture, or to modify this Indenture in connection with the addition of any Guarantor and Note Guarantee;

(8) to cure any ambiguity, defect, omission, mistake or inconsistency;

(9) to make any other provisions with respect to matters or questions arising under this Indenture, *provided* that such actions pursuant to this clause (9) shall not adversely affect the legal interests of the Holders in any material respect, as determined in good faith by the Board of Directors of the Company;

(10) to conform the text of this Indenture or the Notes to any provision of the "Description of Notes" in the Offering Memorandum to the extent that the Trustee has received an Officer's Certificate stating that such text constitutes an unintended conflict with the description of the corresponding provision in the "Description of Notes"; or

(11) to effect or maintain the qualification of this Indenture under the TIA.

SECTION 9.2 With Consent of Holders of Notes. With the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes, the Issuer, any Guarantors and the Trustee may enter into an indenture or indentures supplemental to this Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or the Notes or of modifying in any manner the rights of the Holders under this Indenture, including the definitions herein; *provided, however*, that no such supplemental indenture shall, without the consent of the Holder of each outstanding Note affected thereby:

(1) change the Stated Maturity of any Note or of any installment of interest (including Additional Interest, if any) on any Note, or reduce the amount payable in respect of the principal thereof or the rate of interest or Additional Interest, if any, thereon or any premium payable thereon, or reduce the amount that would be due and payable on acceleration of the maturity thereof, or the coin or currency in which, any Note or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof, or change the date on which any Notes may be subject to redemption or reduce the Redemption Price therefor;

(2) reduce the percentage in aggregate principal amount of the outstanding Notes, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture;

(3) modify the obligations of the Company to make Offers to Purchase upon a Change of Control or from the Excess Proceeds of Asset Sales after the occurrence of such Change of Control or such Asset Sale;

(4) modify or change any provision of this Indenture affecting the ranking of the Notes or any Note Guarantee in a manner adverse to the Holders of the Notes;

(5) modify any of the provisions of this paragraph or provisions relating to waiver of defaults or certain covenants, except to increase any such percentage required for such actions or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each outstanding Note affected thereby; or

(6) release any Note Guarantees required to be maintained under this Indenture (other than in accordance with the terms of this Indenture).

The Holders of not less than a majority in aggregate principal amount of the outstanding Notes may on behalf of the Holders of all the Notes waive any past Default under this Indenture and its consequences, except a Default:

(1) in any payment in respect of the principal of (or premium, if any) or interest (including Additional Interest, if any) on any Notes (including any Note which is required to have been purchased pursuant to an Offer to Purchase which has been made by the Issuer), or

(2) in respect of a covenant or provision hereof which under this Indenture cannot be modified or amended without the consent of the Holder of each outstanding Note affected,

each of which, for the avoidance of doubt, shall require the consent of all the Holders of the Notes outstanding.

SECTION 9.3 Compliance with Trust Indenture Act. Every amendment or supplement to this Indenture or the Notes shall be set forth in an amended or supplemental indenture that complies with the TIA as then in effect.

SECTION 9.4 Revocation and Effect of Consents. Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder and every subsequent Holder of that Note or portion of the Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on the Note. However, any such Holder or subsequent Holder may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. When an amendment, supplement or waiver becomes effective in accordance with its terms, it thereafter binds every Holder.

The Issuer may, but shall not be obligated to, fix a record date for determining which Holders consent to such amendment, supplement or waiver. If the Issuer fixes a record date, the record date shall be fixed at (i) the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of Holders furnished for the Trustee prior to such solicitation pursuant to Section 2.5 hereof or (ii) such other date as the Issuer shall designate.

SECTION 9.5 Notation on or Exchange of Notes. The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuer in exchange for all Notes may issue and the Trustee shall authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

After any amendment, supplement or waiver becomes effective, the Company shall mail to Holders a notice briefly describing such amendment, supplement or waiver. The failure to give such notice shall not affect the validity and effect of such amendment, supplement or waiver.

SECTION 9.6 Trustee to Sign Amendments, Etc. The Trustee shall sign any amended or supplemental indenture authorized pursuant to this Article IX if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. In signing or refusing to sign any amendment or supplemental indenture the Trustee shall be entitled to receive and (subject to Section 7.1 hereof) shall be fully protected in relying upon an Officer's Certificate and an Opinion of Counsel stating that the execution of such amendment or supplemental indenture is authorized or permitted by this Indenture, that all conditions precedent thereto have been met or waived, and that it will be valid and binding upon the Issuer and any Guarantor in accordance with its terms.

ARTICLE X

NOTE GUARANTEES

SECTION 10.1 Note Guarantees.

(a) If the Notes are guaranteed pursuant to Section 4.20, each Guarantor will, upon executing a supplemental indenture, jointly and severally, fully, unconditionally and irrevocably guarantee the Notes and obligations of the Issuer hereunder and thereunder, and will guarantee to each Holder of a Note authenticated and delivered by the Trustee, and to the Trustee, that: (i) the principal of and premium, if any and interest (including Additional Interest, if any) on the Notes shall be paid in full when due, whether at Stated Maturity, by acceleration, call for redemption or otherwise (including, without limitation, the amount that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Law), together with interest on the overdue principal, if any, and interest on any overdue interest (including Additional Interest, if any), to the extent lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder shall be paid in full or performed, all in accordance with the terms hereof and thereof; and (ii) in case of any extension of time of payment or renewal of any Notes or of any such other obligations, the same shall be paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise. Each of the Note Guarantees shall be a guarantee of payment and not of collection.

(b) In the case of any Guarantor which is a Foreign Holdco, recourse on its Note Guarantee will extend to all of such Foreign Holdco's assets except that, with respect to such Foreign Holdco's assets consisting of any Capital Interests in any CFC, such recourse will not extend to more than 65% of the total voting power of "all classes of stock entitled to vote" within the meaning of Treasury Regulation Section 1.956-2(c)(2) (promulgated under the Code) of any such CFC owned directly by such Foreign Holdco.

(c) Each Guarantor by executing a supplemental indenture will agree that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a Guarantor.

(d) Each Guarantor by executing a supplemental indenture will waive the benefits of diligence, presentment, demand for payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company or any other Person, protest, notice and all demands whatsoever and covenants that the Note Guarantee of such Guarantor shall not be discharged as to any Note except by complete performance of the obligations contained in such Note and such Note Guarantee or as provided for in this Indenture. Each of the Guarantors by executing a supplemental indenture will agree that, in the event of a default in payment of principal or premium, if any, or interest (including Additional Interest, if any) on such Note, whether at its Stated Maturity, by acceleration, call for redemption, purchase or otherwise, legal proceedings may be instituted by the Trustee on behalf of, or by, the Holder of such Note, subject to the terms and conditions set forth in this Indenture, directly against each of the Guarantors to enforce such Guarantor's Note Guarantee without first proceeding against the Company or any other Guarantor. Each Guarantor by executing a supplemental indenture will agree that if, after the occurrence and during the continuance of an Event of Default, the Trustee or any of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Notes, to collect interest (including Additional Interest, if any) on the Notes, or to enforce or exercise any other right or remedy with respect to the Notes, such Guarantor shall pay to the Trustee for the account of the Holders, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

(e) If any Holder or the Trustee is required by any court or otherwise to return to the Issuer or any Guarantor, or any custodian, trustee, liquidator or other similar official acting in relation to the Issuer or any Guarantor, any amount paid by any of them to the Trustee or such Holder, the Note Guarantee of each of the Guarantors, to the extent theretofore discharged, shall be reinstated in full force and effect. This paragraph (e) shall remain effective notwithstanding any contrary action which may be taken by the Trustee or any Holder in reliance upon such amount required to be returned. This paragraph (e) shall survive the termination of this Indenture.

(f) Each Guarantor further agrees that, as between each Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Section 6.2 hereof for the purposes of the Note Guarantee of such Guarantor, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any acceleration of such obligations as provided in Section 6.2 hereof, such obligations (whether or not due and payable) shall forthwith become due and payable by each Guarantor for the purpose of the Note Guarantee of such Guarantor.

SECTION 10.2 Execution and Delivery of Note Guarantee. To evidence its Note Guarantee set forth in Section 10.1, each Guarantor agrees to execute and deliver a supplemental indenture to this Indenture substantially in the form of Exhibit E to this Indenture providing for a Note Guarantee by such Guarantor and that a notation of such Note Guarantee substantially in the form attached hereto as Exhibit D shall be endorsed on each Note authenticated and delivered by the Trustee. Such notation of Note Guarantee shall be signed on behalf of such Guarantor by an officer of such Guarantor (or, if an officer is not available, by a board member or director or another authorized person) on behalf of such Guarantor by manual or facsimile signature and shall be delivered to the Trustee. In case the officer, board member or director of such Guarantor who shall have signed such notation of Note Guarantee shall cease to be such officer, board member or director before the Note on which such Note Guarantee is endorsed shall have been authenticated and delivered by the Trustee, such Note nevertheless may be authenticated and delivered as though the Person who signed such notation of Note Guarantee had not ceased to be such officer, board member or director.

Each Guarantor agrees that its Note Guarantee set forth in Section 10.1 shall remain in full force and effect and apply to all the Notes notwithstanding any failure to endorse on each Note a notation of such Note Guarantee. The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of any Note Guarantee set forth in this Indenture on behalf of the Guarantors.

The failure to endorse a Note Guarantee shall not affect or impair the validity thereof.

SECTION 10.3 Severability. In case any provision of any Note Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 10.4 Limitation of Guarantors' Liability. Each Guarantor and by its acceptance of Notes, each Holder, confirms that it is the intention of all such parties that any Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of the Federal Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law relating to fraudulent transfer or conveyance. To effectuate the foregoing intention, the Trustee, the Holders and Guarantors hereby irrevocably agree that the obligations of such Guarantor under its Note Guarantee shall be limited to the maximum amount that will not, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Note Guarantee, result in the obligations of such Guarantor under its Note Guarantee constituting a fraudulent transfer or conveyance.

SECTION 10.5 Guarantors May Consolidate, Etc., on Certain Terms. Except as otherwise provided in Section 10.6, a Guarantor may not sell or otherwise dispose of all or substantially all of its assets, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person unless:

(1) immediately after giving effect to such transactions, no Default or Event of Default exists; and

(2) either:

(i) the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger pursuant to a supplemental indenture satisfactory to the Trustee and, if the Registration Rights Agreement is in effect, supplement to the Registration Rights Agreement, assumes all of the obligations of that Guarantor under this Indenture, the Notes, its Notes Guarantee and, if in effect, the Registration Rights Agreement; or

(ii) the Net Cash Proceeds of any such sale or other disposition of a Guarantor, to the extent required, are applied in accordance with the provisions of Section 4.10 hereof; and

(3) the Company delivers, or causes to be delivered, to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such sale, other disposition, consolidation or merger complies with the requirements of this Indenture.

In case of any such consolidation, merger, sale or conveyance and, if applicable, upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of any Note Guarantee and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named

herein as a Guarantor. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all such Note Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles IV and V hereof, and notwithstanding clauses (a) and (b) above, nothing contained in this Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Issuer or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Issuer or another Guarantor.

SECTION 10.6 Releases Following Sale of Assets. Any Guarantor shall be released and relieved of any obligations under this Note Guarantee, (1) in connection with any sale or other disposition by the Issuer or any Subsidiary of the Issuer of all or substantially all of the assets of that Guarantor (including by way of merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Company or a Subsidiary or an Affiliate, if the Issuer or the Guarantor applies the Net Proceeds of that sale or other disposition in accordance with the provisions of Section 4.10 hereof; or (2) in connection with any sale of all of the Capital Stock of a Guarantor by the Issuer or any Subsidiary of the Issuer to a Person that is not (either before or after giving effect to such transaction) the Company or a Subsidiary or an Affiliate, if the Issuer applies the Net Cash Proceeds of that sale in accordance with the provisions of Section 4.10 hereof. Upon delivery to the Trustee of an Officer's Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Issuer in accordance with the provisions of this Indenture, including without limitation Section 4.10 hereof, the Trustee shall execute any documents reasonably required in order to evidence the release of any Guarantor from its obligations under its Note Guarantee.

Any Guarantor not released from its obligations under this Note Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article X.

SECTION 10.7 Release of a Guarantor.

(a) Any Guarantor that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary in accordance with the terms of this Indenture shall, at such time, be deemed automatically and unconditionally released and discharged of its obligations under its Note Guarantee without any further action on the part of the Trustee or any Holder.

(b) Upon the release or discharge of the Guarantee or security that enabled the creation of the Note Guarantee and all other Guarantees of Debt of the Company by such Guarantor, such Guarantor shall, at such time, be deemed automatically and unconditionally released and discharged of its obligations under its Note Guarantee without any further action on the part of the Trustee or any Holder; *provided* that no Default or Event of Default has occurred and is continuing or would result therefrom.

(c) If the Note Guarantee of any Guarantor is deemed to be released or is automatically released, the Company shall deliver to the Trustee an Officer's Certificate stating the identity of the released Guarantor, the basis for release in reasonable detail, and that such release complies with this Indenture. The Trustee shall deliver an appropriate instrument evidencing such release upon receipt of the Company's request for such release accompanied by an Officer's Certificate certifying as to the compliance with this Section 10.7, and an Opinion of Counsel Any Guarantor not so released shall remain liable for the full amount of principal of and interest on the Notes as provided in its Note Guarantee.

SECTION 10.8 Benefits Acknowledged. Each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Indenture and that its guarantee and waivers pursuant to its Note Guarantee are knowingly made in contemplation of such benefits.

ARTICLE XI

SATISFACTION AND DISCHARGE

SECTION 11.1 Satisfaction and Discharge. This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either: (A) all Notes theretofore authenticated and delivered have been delivered to the Trustee for cancellation, or (B) all such Notes not theretofore delivered to the Trustee for cancellation (i) have become due and payable or (ii) will become due and payable within one year or are to be called for redemption within one year (a "*Discharge*") under irrevocable arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire indebtedness on the Notes, not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest (including Additional Interest, if any) to the Stated Maturity or date of redemption;

(2) the Issuer has paid or caused to be paid all other sums then due and payable under this Indenture by the Issuer;

(3) the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Issuer or any Guarantor is a party or by which the Issuer or any Guarantor is bound;

(4) the Issuer has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be; and

(5) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel reasonably acceptable to the Trustee, each stating that all conditions precedent under this Indenture relating to the Discharge have been complied with.

Notwithstanding Discharge, the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's obligations in connection therewith shall survive.

ARTICLE XII

MISCELLANEOUS

SECTION 12.1 Trust Indenture Act Controls. If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by TIA § 318(c), the imposed duties shall control.

SECTION 12.2 Notices. Any notice or communication by the Issuer, any Guarantor or the Trustee to the others is duly given if in writing and delivered in Person or mailed by first class mail (registered or certified, return receipt requested), telecopier or overnight air courier guaranteeing next day delivery, to the others address:

If to the Issuer or any Guarantor:

PolyOne Corporation
33587 Walker Road
Avon Lake, Ohio 44012
Fax: 440.930.1000
Attention: General Counsel

With a copy to:

Jones Day
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114
Fax: 216.579.0212
Attention: Michael J. Solecki

If to the Trustee:

Wells Fargo Bank, National Association
230 W. Monroe Street, Suite 2900
Chicago, Illinois 60606
Telephone: (312) 845-4385
Attention: Corporate Trust Services

The Company or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication to a Holder shall be mailed by first-class mail to his or her address shown on the register kept by the Registrar. Any notice or communication shall also be sent to any Person described in TIA § 313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder of any Series or any defect in it shall not affect its sufficiency with respect to other Holders of the Notes. Notwithstanding any other provision of this Indenture or any Note, where this Indenture or any Note provides for notice of any event (including any notice of redemption or repurchase) to a Holder of a Global Note (whether by mail or otherwise), such notice shall be sufficiently given if given to the Depositary (or its designee) pursuant to the standing instructions from the Depositary or its designee, including by electronic mail in accordance with the Applicable Procedures.

If a notice or communication is mailed or published in the manner provided above, within the time prescribed, it is duly given, whether or not the Holder receives it.

If the Company mails a notice or communication to Holders, it shall mail a copy to the Trustee and each Agent at the same time.

SECTION 12.3 Communication by Holders of Notes with Other Holders of Notes. Holders may communicate pursuant to TIA § 312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Issuer, any Guarantor, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

SECTION 12.4 Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Issuer to the Trustee to take any action under this Indenture (other than the initial issuance of the Notes), the Issuer shall furnish to the Trustee:

(1) an Officer's Certificate (which shall include the statements set forth in Section 12.5 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel (which shall include the statements set forth in Section 12.5 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

SECTION 12.5 Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA § 314(a)(4)) shall comply with the provisions of TIA § 314(e) and shall include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

SECTION 12.6 Rules by Trustee and Agents. The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

SECTION 12.7 Legal Holidays. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

SECTION 12.8 No Personal Liability of Shareholders, Partners, Officers or Directors. No director, officer, employee, shareholder, Affiliate, general or limited partner or incorporator, past, present or future, of the Company or any of its Subsidiaries, as such or in such capacity, shall have any personal liability for any obligations of the Issuer under the Notes, any Note Guarantee or this Indenture by reason of his, her or its status as such director, officer, employee, shareholder, Affiliate, general or limited partner or incorporator. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

No recourse may, to the full extent permitted by applicable law, be taken, directly or indirectly, with respect to the obligations of the Company or the Guarantors on the Notes or under this Indenture or any related documents, any certificate or other writing delivered in connection therewith, against (i) the Trustee in its individual capacity, or (ii) any partner, owner, beneficiary, agent, officer, director, employee, agent, successor or assign of the Trustee, each in its individual capacity, or (iii) any holder of equity in the Trustee.

Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

SECTION 12.9 Governing Law. THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES, IF ANY. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES, IF ANY, OR THE TRANSACTIONS CONTEMPLATED HEREBY.

SECTION 12.10 No Adverse Interpretation of Other Agreements. This Indenture may not be used to interpret another indenture, loan or debt agreement of the Company or a Subsidiary of the Company. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

SECTION 12.11 Successors. All agreements of the Company in this Indenture and the Notes shall bind its successor. All agreements of the Trustee in this Indenture shall bind its successor.

SECTION 12.12 Severability. In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 12.13 Counterpart Originals. This Indenture may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

SECTION 12.14 Table of Contents, Headings, Etc. The Table of Contents, Cross Reference Table, and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

SECTION 12.15 U.S.A. Patriot Act. The Company acknowledges that in accordance with Section 326 of the U.S.A. PATRIOT Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. PATRIOT Act.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first above written.

POLYONE CORPORATION

By: /s/ Daniel J. O'Bryon
Name: Daniel J. O'Bryon
Title: Vice President and Treasurer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: /s/ Gregory S. Clarke
Name: Gregory S. Clarke
Title: Vice President

EXHIBIT A

FORM OF 5.25% SENIOR NOTE

(Face of Note)

[Insert the Global Note Legend, if applicable, pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable, pursuant to the provisions of the Indenture]

POLYONE CORPORATION

5.25% SENIOR NOTES DUE 2023

No. _____ CUSIP:

ISIN:

PolyOne Corporation promises to pay to Cede & Co., or registered assigns, the principal sum of Dollars ($), or such other principal sum as shall be set forth in the Schedule of Exchanges of Interests attached hereto, on March 15, 2023.

Interest Payment Dates: March 15 and September 15, beginning September 15, 2023

Record Dates: March 1 and September 1

Reference is made to further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefits under the Indenture referred to on the reverse hereof or be valid or obligatory for any purpose.

In WITNESS HEREOF, the Issuer has caused this instrument to be duly executed.

Dated: February 28, 2013

POLYONE CORPORATION

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Notes referred to in the within-mentioned Indenture:

Dated: February 28, 2013

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____
Authorized Signatory

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) Interest. (a) PolyOne Corporation, an Ohio corporation or its successor (together, "*PolyOne*"), promises to pay interest on the principal amount of this Note (the "*Notes*") at 5.25% per annum and shall pay the Additional Interest payable pursuant to the corresponding Registration Rights Agreement, if any. PolyOne will pay interest (including Additional Interest, if any) in United States dollars (except as otherwise provided herein) semiannually in arrears on March 15 and September 15 of each year, commencing on September 15, 2013 or, if any such day is not a Business Day, on the next succeeding Business Day (each an "*Interest Payment Date*"). Interest on the Notes shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including February 28, 2013; *provided* that if there is no existing Default or Event of Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date (but after September 15, 2013), interest shall accrue from such next succeeding Interest Payment Date, except in the case of the original issuance of the Notes, in which case interest shall accrue from the date of authentication. PolyOne shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to 1% *per annum* in excess of the then applicable interest rate on the Notes to the extent lawful; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (including Additional Interest, if any, and without regard to any applicable grace period) at the same rate to the extent lawful. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The interest rate on the Notes will in no event be higher than the maximum rate permitted by New York law as the same may be modified by United States law of general application.

(2) Method of Payment. PolyOne will pay interest on the Notes (except defaulted interest) and Additional Interest, if any, on the applicable Interest Payment Date to the Persons who are registered Holders of the Notes at the close of business on the March 1 and September 1 preceding the Interest Payment Date, even if such Notes are cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest.

The Notes shall be payable as to principal, premium, if any, and Additional Interest, if any, and interest at the office or agency of PolyOne maintained for such purpose within or without the City and State of New York, or, at the option of PolyOne, payment of interest and Additional Interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds shall be required with respect to principal of, premium, if any, and interest (including Additional Interest, if any) on, all Global Notes and all other Notes the Holders of which shall have provided written wire transfer instructions to PolyOne and the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payments of principal of and interest (including Additional Interest, if any) on this Note prior to Stated Maturity shall be binding upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not noted hereon. The amount due and payable at the maturity of this Note shall be payable only upon presentation and surrender of this Note at an office of the Trustee or the Trustee's agent appointed for such purposes.

(3) Paying Agent and Registrar. Initially, Wells Fargo Bank, National Association, the Trustee under the Indenture, shall act as Paying Agent and Registrar. PolyOne may change any Paying Agent or Registrar without notice to any Holder. PolyOne or any of its Subsidiaries may act in any such capacity.

(4) Indenture. PolyOne issued the Notes under an indenture dated February 28, 2013 (the "*Indenture*"), between PolyOne and Wells Fargo Bank, National Association, as trustee (the "*Trustee*"). The terms of the Notes include those stated in the Indenture and those made a part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbbb) (the "*TIA*"). To the extent the provisions of this Note are inconsistent with the provisions of the Indenture, the Indenture shall govern. The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. The Notes issued on the Issue Date are senior unsecured Obligations of PolyOne. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) Optional Redemption. At any time, and from time to time, the Issuer may redeem all or part of the Notes at a redemption price equal to the sum of (i) 100% of the principal amount thereof, plus (ii) the Applicable Premium as of the date of redemption, plus (iii) accrued and unpaid interest (including Additional Interest), if any, to the redemption date (subject to the rights of Holders of record on the relevant regular record date to receive interest due on an interest payment date that is on or prior to the redemption date).

(6) Mandatory Redemption. PolyOne shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) Repurchase at Option of Holder. (a) Upon the occurrence of a Change of Control, PolyOne will make an Offer to Purchase for all of the outstanding Notes at a purchase price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest (including Additional Interest), if any, thereon to but not including the date of purchase. Within 60 days following any Change of Control, PolyOne will mail or deliver a notice to each Holder describing the transaction or transactions that constitute the Change of Control setting forth the procedures governing the Change of Control Offer required by the Indenture.

(b) Upon the occurrence of certain Asset Sales, PolyOne may be required to offer to purchase the Notes.

(c) Holders of the Notes that are the subject of an Offer to Purchase will receive notice of an Offer to Purchase pursuant to an Asset Sale or a Change of Control from PolyOne prior to any related Purchase Date and may elect to have such Notes purchased by completing the form titled "Option of Holder to Elect Purchase" appearing below.

(8) Notice of Redemption. Notice of redemption shall be delivered at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $2,000 may be redeemed in part but only in a minimum amount of $2,000 principal amount (and integral multiples of $1,000 in excess thereof), unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date, interest (including Additional Interest, if any) ceases to accrue on the Notes or portions hereof called for redemption, unless PolyOne defaults in the payment of the Redemption Price.

(9) Denominations, Transfer, Exchange. The Notes are in registered form without coupons in initial denominations of $2,000 and any integral multiple of $1,000 in excess thereof. The transfer of the Notes may be registered and the Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and PolyOne may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. PolyOne need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, it need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

(10) Persons Deemed Owners. The registered holder of a Note may be treated as its owner for all purposes.

(11) Amendment, Supplement and Waiver. Subject to the following paragraphs, the Indenture and the Notes may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes, including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for Notes, and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes, including consents obtained in connection with a tender offer or exchange offer for the Notes.

(a) Without the consent of any Holders, PolyOne, any Guarantors (except that any existing Guarantors need not execute a supplemental indenture entered into pursuant to clause (vii) below) and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental to the Indenture and any Note Guarantees, if any, for any of the following purposes:

(i) to evidence the succession of another Person to PolyOne and the assumption by any such successor of the covenants of PolyOne in the Indenture, the any Note Guarantees and the Notes;

(ii) to add to the covenants of PolyOne for the benefit of the Holders, or to surrender any right or power herein conferred upon PolyOne or to secure the Notes;

(iii) to add additional Events of Default;

(iv) to provide for uncertificated Notes in addition to or in place of the certificated Notes;

(v) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee;

(vi) to provide for or confirm the issuance of Additional Notes in accordance with the terms of the Indenture;

(vii) to add a Guarantor or to release a Guarantor in accordance with the Indenture, or to modify the Indenture in connection with the addition of any Guarantor and Note Guarantee;

(viii) to cure any ambiguity, defect, omission, mistake or inconsistency;

(ix) to make any other provisions with respect to matters or questions arising under the Indenture, *provided* that such actions pursuant to this clause (ix) shall not adversely affect the legal interests of the Holders in any material respect, as determined in good faith by the Board of Directors of PolyOne;

(x) to conform the text of the Indenture or the Notes to any provision of the "Description of Notes" in the Offering Memorandum to the extent that the Trustee has received an Officer's Certificate stating that such text constitutes an unintended conflict with the description of the corresponding provision in the "Description of Notes"; or

(xi) to effect or maintain the qualification of the Indenture under the TIA.

(b) With the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes, PolyOne, any Guarantors and the Trustee may enter into an indenture or indentures supplemental to the Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or the Notes or of modifying in any manner the rights of the Holders under the Indenture, including the definitions therein; *provided*, *however*, that no such supplemental indenture shall, without the consent of the Holder of each outstanding Note affected thereby:

(i) change the Stated Maturity of any Note or of any installment of interest (including Additional Interest, if any) on any Note, or reduce the amount payable in respect of the principal thereof or the rate of interest or Additional Interest, if any, thereon or any premium payable thereon, or reduce the amount that would be due and payable on acceleration of the maturity thereof or the coin or currency in which, any Note or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof, or change the date on which any Notes may be subject to redemption or reduce the Redemption Price therefor,

(ii) reduce the percentage in aggregate principal amount of the outstanding Notes, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences) provided for in the Indenture,

(iii) modify the obligations of PolyOne to make Offers to Purchase upon a Change of Control or from the Excess Proceeds of Asset Sales after the occurrence of such Change of Control or such Asset Sale,

(iv) modify or change any provision of the Indenture affecting the ranking of the Notes or any Note Guarantee in a manner adverse to the Holders of the Notes,

(v) modify any of the provisions of this paragraph or provisions relating to waiver of defaults or certain covenants, except to increase any such percentage required for such actions or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each outstanding Note affected thereby, or

(vi) release any Note Guarantees required to be maintained under the Indenture (other than in accordance with the terms of the Indenture).

(c) The Holders of not less than a majority in aggregate principal amount of the outstanding Notes may on behalf of the Holders of all the Notes waive any past Default under the Indenture and its consequences, except a Default:

(i) in any payment in respect of the principal of (or premium, if any) or interest (including Additional Interest, if any) on any Notes (including any Note which is required to have been purchased pursuant to an Offer to Purchase which has been made by the Issuer), or

(ii) in respect of a covenant or provision hereof which under the Indenture cannot be modified or amended without the consent of the Holder of each outstanding Note affected.

(12) Defaults and Remedies. Events of Default include:

(a) default in the payment in respect of the principal of (or premium, if any, on) any Note when due and payable (whether at Stated Maturity or upon repurchase, acceleration, optional redemption or otherwise);

(b) default in the payment of any interest upon any Note when it becomes due and payable, and continuance of such default for a period of 30 days;

(c) failure to perform or comply with the Indenture provisions described under Section 4.3 thereof and continuance of such failure to perform or comply for a period of 120 days after written notice thereof has been given to PolyOne by the Trustee or to PolyOne and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes;

(d) except as permitted by the Indenture, any Note Guarantee of any Significant Subsidiary (or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary), shall for any reason cease to be, or it shall be asserted by any Guarantor or PolyOne not to be, in full force and effect and enforceable in accordance with its terms;

(e) default in the performance, or breach, of any covenant or agreement of PolyOne or any Guarantor in the Indenture (other than a covenant or agreement a default in whose performance or whose breach is specifically dealt with in clause (a), (b), (c) or (d) above), and continuance of such default or breach for a period of 60 days after written notice thereof has been given to PolyOne by the Trustee or to PolyOne and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes;

(f) a default or defaults under any bonds, debentures, notes or other evidences of Debt (other than the Notes) by PolyOne or any Restricted Subsidiary having, individually or in the aggregate, a principal or similar amount outstanding of at least $40.0 million, whether such Debt now exists or shall hereafter be created, which default or defaults shall have resulted in the acceleration of the maturity of such Debt prior to its express maturity or shall constitute a failure to pay at least $40.0 million of such Debt when due and payable after the expiration of any applicable grace period with respect thereto;

(g) the entry against PolyOne or any Restricted Subsidiary that is a Significant Subsidiary of a final judgment or final judgments for the payment of money in an aggregate amount in excess of $40.0 million (net of any amounts covered by insurance where coverage has not been disclaimed or denied, by a court or courts of competent jurisdiction, which judgment or

judgments remain undischarged, unwaived, unstayed, unbonded or unsatisfied for a period of 60 consecutive days; or

(h) (i) PolyOne, any Significant Subsidiary or any group of Restricted Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary, pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property,

(D) makes a general assignment for the benefit of its creditors, or

(E) generally is not paying its debts as they become due; or

(ii) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against PolyOne or any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, in an involuntary case;

(B) appoints a custodian of PolyOne or any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of PolyOne or any of its Restricted Subsidiaries; or

(C) orders the liquidation of PolyOne or any Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary;

and the order or decree in this clause (ii) remains unstayed and in effect for 60 consecutive days.

If an Event of Default (other than an Event of Default specified in clause (h) above with respect to PolyOne) occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in aggregate principal amount of the outstanding Notes may declare the principal of the Notes and any accrued interest (including Additional Interest), if any, on the Notes to be due and payable immediately by a notice in writing to PolyOne (and to the Trustee if given by Holders); *provided*, *however*, that after such acceleration, but before a judgment or decree based on acceleration, the Holders of a majority in aggregate principal amount of the outstanding Notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal of or interest (including Additional Interest), if any, on the Notes, have been cured or waived as provided in the Indenture and all amounts owing to the Trustee have been paid.

In the event of a declaration of acceleration of the Notes solely because an Event of Default described in clause (f) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically rescinded and annulled if the event of default or payment default triggering

such Event of Default pursuant to clause (f) shall be remedied or cured by PolyOne or a Restricted Subsidiary of PolyOne or waived by the holders of the relevant Debt within 20 Business Days after the declaration of acceleration with respect thereto and if the rescission and annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction obtained by the Trustee for the payment of amounts due on the Notes.

If an Event of Default specified in clause (h) above occurs with respect to PolyOne, the principal of and any accrued interest on the Notes then outstanding shall ipso facto become immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. For further information as to waiver of defaults, see Article IX of the Indenture. The Trustee may withhold from Holders notice of any Default (except Default in payment of principal of, premium, if any, and interest) if the Trustee determines that withholding notice is in the interests of the Holders to do so.

(13) Trustee Dealings with PolyOne. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for PolyOne, any Guarantor or their respective Affiliates, and may otherwise deal with PolyOne, any Guarantor or their respective Affiliates, as if it were not the Trustee.

(14) No Recourse Against Others. No director, officer, employee, shareholder, Affiliate, general or limited partner or incorporator, past, present or future, of PolyOne or any of its Subsidiaries, as such or in such capacity, shall have any personal liability for any obligations of the Issuer under the Notes, any Guarantee or the Indenture by reason of his, her or its status as such director, officer, employee, shareholder, Affiliate, general or limited partner or incorporator. Each Holder of the Notes by accepting the Note waives and releases all such liability. The waiver and release are part of the consideration for the issuances of the Notes.

No recourse may, to the full extent permitted by applicable law, be taken, directly or indirectly, with respect to the obligations of PolyOne or any Guarantor on the Notes or under the Indenture or any related documents, any certificate or other writing delivered in connection therewith, against (i) the Trustee in its individual capacity, or (ii) any partner, owner, beneficiary, agent, officer, director, employee, agent, successor or assign of the Trustee, each in its individual capacity, or (iii) any holder of equity in the Trustee.

Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

(15) Authentication. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(16) Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) CUSIP, ISIN or Common Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes and the Trustee may use CUSIP, ISIN, Common Code or other similar numbers in notices of redemption as a convenience to the Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

(18) THE LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THE NOTES AND ANY NOTE GUARANTEES, IF ANY. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THE NOTES, ANY NOTE GUARANTEES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

PolyOne shall furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

PolyOne Corporation
33587 Walker Road
Avon Lake, Ohio 44012
Fax: 440.930.1002
Attention: General Counsel

ASSIGNMENT FORM

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint to transfer this Note on the books of PolyOne. The agent may substitute another to act for him.

Date:

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature guarantee: _____
(Signature must be guaranteed by a participant in a recognized signature guarantee medallion program)

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by PolyOne Corporation pursuant to Section 4.10 (Asset Sale) or 4.14 (Change of Control) of the Indenture, check the box below:

☐ Section 4.10 ☐ Section 4.14

If you want to elect to have only part of the Note purchased by PolyOne Corporation pursuant to Section 4.10 or 4.14 of the Indenture, state the amount you elect to have purchased:

$ _____

Date:

Your Signature: _____
(Sign exactly as your name appears on the Note)

Tax Identification Number:

Signature guarantee: _____
(Signature must be guaranteed by a participant in a recognized signature guarantee medallion program)

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for other 5.25% Senior Notes have been made:

Date of Exchange	Amount of Decrease in Principal Amount of this Global Note	Amount of Increase in Principal Amount of this Global Note	Principal Amount of this Global Note Following Such Decrease (or Increase)	Signature of Authorized Officer of Trustee or Note Custodian

FORM OF CERTIFICATE OF TRANSFER

PolyOne Corporation
33587 Walker Road
Avon Lake, Ohio 44012
Attention: General Counsel

Wells Fargo Bank, National Association
608 Second Avenue South, N9303-121
Minneapolis, Minnesota 55479
Attention: Corporate Trust Operations
Email: DAPSReorg@wellsfargo.com

Re: PolyOne Corporation 5.25% Senior Notes due 2023

Reference is hereby made to the Indenture, dated as of February 28, 2013 (the "*Indenture*"), between PolyOne Corporation, as issuer (the "*Company*"), and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

(the "*Transferor*"), owns and proposes to transfer the Note[s] or interest in such in such Note[s] specified in Annex A hereto, in the principal amount of $ in such Note[s] or interests (the "*Transfer*"), to (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note Pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

2. ☐**Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the

facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act and (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act; or

(b) ☐ such Transfer is being effected to the Company or a subsidiary thereof; or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

3. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note.**

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 144A, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated:

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP), or

(ii) ☐ Regulation S Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP), or

(ii) ☐ Regulation S Global Note (CUSIP), or

(iii) ☐ Unrestricted Global Note (CUSIP); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

PolyOne Corporation
33587 Walker Road
Avon Lake, Ohio 44012
Attention: General Counsel

Wells Fargo Bank, National Association
608 Second Avenue South, N9303-121
Minneapolis, Minnesota 55479
Attention: Corporate Trust Operations
Email: DAPSReorg@wellsfargo.com

Re: PolyOne Corporation 5.25% Senior Notes due 2023

(CUSIP)

Reference is hereby made to the Indenture, dated as of February 28, 2013 (the "*Indenture*"), between PolyOne Corporation, as issuer (the "*Company*") and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

(the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on

transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficiary interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the

[CHECK ONE]

☐ 144A Global Note ☐ Regulation S Global Note

with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the

restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Owner]

By: _____
Name:
Title:

Dated:

EXHIBIT D

FORM OF NOTATIONAL GUARANTEE

Each Guarantor listed below (hereinafter referred to as the "*Guarantor*," which term includes any successors or assigns under that certain Indenture, dated as of February 28, 2013 (the "*Indenture*"), by and between PolyOne Corporation ("*PolyOne*") and Wells Fargo Bank, National Association, as trustee (the "*Trustee*"), has guaranteed the 5.25% Senior Notes due 2023 (the "*Notes*") and the obligations of PolyOne under the Indenture, which include (i) the due and punctual payment of the principal of, premium, if any, and interest (including Additional Interest, if any), on the Notes of PolyOne, whether at stated maturity, by acceleration or otherwise, the due and punctual payment of interest on the overdue principal and premium, if any, and (to the extent permitted by law) interest (including Additional Interest, if any) on any interest, if any, on the Notes, and the due and punctual performance of all other obligations of PolyOne to the Holders or the Trustee all in accordance with the terms set forth in Article X of the Indenture, (ii) in case of any extension of time of payment or renewal of any Notes or any such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise, and (iii) the payment of any and all costs and expenses (including reasonable attorneys' fees) incurred by the Trustee or any Holder in enforcing any rights under this Note Guarantee or the Indenture.

The obligations of each Guarantor to the Holders and to the Trustee pursuant to this Note Guarantee and the Indenture are expressly set forth in Article X of the Indenture and reference is hereby made to such Indenture for the precise terms of this Note Guarantee.

No stockholder, employee, officer, director or incorporator, as such, past, present or future of each Guarantor shall have any liability under this Note Guarantee by reason of his or its status as such stockholder, employee, officer, director or incorporator.

This is a continuing Note Guarantee and shall remain in full force and effect and shall be binding upon each Guarantor and its successors and assigns until full and final payment of all of PolyOne's obligations under the Notes and Indenture or until released in accordance with the Indenture and shall inure to the benefit of the successors and assigns of the Trustee and the Holders, and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges herein conferred upon that party shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions hereof. This is a Note Guarantee of payment and not of collection.

This Note Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note upon which this Note Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers. The Obligations of each Guarantor under its Note Guarantee shall be limited to the extent necessary to insure that it does not constitute a fraudulent conveyance or fraudulent transfer under applicable law.

THE TERMS OF ARTICLE X OF THE INDENTURE ARE INCORPORATED HEREIN BY REFERENCE.

Capitalized terms used herein have the same meanings given in the Indenture unless otherwise indicated.

Dated as of

[NAME OF GUARANTOR]

By: _____
Name:
Title:

EXHIBIT E

FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS

[- insert number] Supplemental Indenture (this "*Supplemental Indenture*"), dated as of [ ] [ ], 20[ ], among PolyOne Corporation, an Ohio corporation (the "*Company*"), (the "*Guaranteeing Subsidiary*"), a and a subsidiary of the Company, and Wells Fargo Bank, National Association, as trustee (the "*Trustee*").

W I T N E S S E T H

WHEREAS, each of the Company and the Guarantors (as defined in this Indenture referred to below) has heretofore executed and delivered to the Trustee an indenture (the "*Indenture*"), dated as of February 28, 2013, providing for the issuance of an unlimited aggregate principal amount of 5.25% Senior Notes due 2023 (the "*Notes*");

WHEREAS, pursuant to Section 10.1 of the Indenture, the Company has notified the Trustee that the Guaranteeing Subsidiary shall become a Guarantor and execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally Guarantee all of the Company's Obligations under the Notes and the Indenture on the terms and conditions set forth herein and under the Indenture;

WHEREAS, the Guaranteeing Subsidiary has duly authorized the execution and delivery of this Supplemental Indenture to provide its Note Guarantee in accordance with Article 10.1 of the Indenture and all things necessary to make this Supplemental Indenture, the Indenture, and the Note Guarantee of the Guaranteeing Subsidiary valid and binding agreements of the Guaranteeing Subsidiary, in accordance with the terms thereof, have been done; and

WHEREAS, the Company has provided to the Trustee such documents as are required to be provided to it under Sections 10.1 and 10.2 of the Indenture, has requested the Trustee to join with it and the Guaranteeing Subsidiary in the execution and delivery of this Supplemental Indenture, and pursuant to Section 10.1 of the Indenture, the Company, the Guaranteeing Subsidiary, and the Trustee are authorized to execute and deliver this Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the benefit of each other and the equal and ratable benefit of the Holders as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Guarantor. The Guaranteeing Subsidiary hereby agrees to be a Guarantor under this Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including Article 10 thereof. Pursuant to Section 10.2 of the Indenture, the Guaranteeing Subsidiary has executed and delivered a notation of guarantee substantially in the form provided by Exhibit D to the Indenture.

3. Governing Law. THIS SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

4. Waiver of Jury Trial. EACH OF THE COMPANY, THE GUARANTEEING SUBSIDIARY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENTAL INDENTURE, THE INDENTURE, THE NOTES, THE NOTE GUARANTEE OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

5. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Supplemental Indenture and of signature pages by facsimile or portable document format ("PDF") transmission shall constitute effective execution and delivery of this Supplemental Indenture as to the parties hereto and may be used in lieu of the original Supplemental Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

6. Headings. The headings of the Sections of this Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part of this Supplemental Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

7. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture, the Note Guarantee of the Guaranteeing Subsidiary or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company and the Guaranteeing Subsidiary. All of the provisions contained in the Indenture in respect of the rights, privileges, immunities, powers, and duties of the Trustee shall be applicable in respect of this Supplemental Indenture as fully and with like force and effect as though fully set forth in full herein.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed, all as of the date first above written.

[COMPANY]

By: _____
Name:
Title:

[GUARANTEEING SUBSIDIARY]

By: _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Trustee

By: _____
Name:
Title:

Exhibit 10.1

REGISTRATION RIGHTS AGREEMENT

by and between

PolyOne Corporation

and

Merrill Lynch, Pierce, Fenner & Smith Incorporated

Dated as of February 28, 2013

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of February 28, 2013, by and between PolyOne Corporation, an Ohio corporation (the "Company") and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representative (the "Representative") of the several initial purchasers named in Schedule A to the Purchase Agreement (as defined below) (collectively, the "Initial Purchasers"), each of whom has agreed to purchase the Company's 5.25% Senior Notes due 2023 (the "Securities") pursuant to the Purchase Agreement. As of the date hereof the Securities are not guaranteed. To the extent any Guarantor (as defined below) becomes a party to this Agreement pursuant to Section 8 hereof, the definition of "Securities" shall also include the Guarantees (as defined below) of any such Guarantor.

This Agreement is made pursuant to the Purchase Agreement, dated February 13, 2013 (the "Purchase Agreement"), between the Company and the Representative (i) for the benefit of the Initial Purchasers and (ii) for the benefit of the holders from time to time of Transfer Restricted Securities, including the Initial Purchasers. In order to induce the Initial Purchasers to purchase the Securities, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the obligations of the Initial Purchasers set forth in Section 5(g) of the Purchase Agreement.

The parties hereby agree as follows:

SECTION 1. *Definitions*. As used in this Agreement, the following capitalized terms shall have the following meanings:

Additional Interest: As defined in Section 5 hereof.

Advice: As defined in Section 6(c) hereof.

Blackout Period: As defined in Section 4(a) hereof.

Broker-Dealer: Any broker or dealer registered under the Exchange Act.

Business Day: Any day other than a Saturday, Sunday or U.S. federal holiday or a day on which banking institutions or trust companies located in New York, New York are authorized or obligated to be closed.

Closing Date: The date of this Agreement.

Commission: The Securities and Exchange Commission.

Consummate: A registered Exchange Offer shall be deemed "Consummated" for purposes of this Agreement upon the occurrence of (i) the filing and effectiveness under the Securities Act of the Exchange Offer Registration Statement relating to the Exchange Securities to be issued in the Exchange Offer, (ii) the maintenance of such Registration Statement continuously effective and the keeping of the Exchange Offer open for a period not less than the minimum period required pursuant to Section 3(b) hereof, and (iii) the delivery by the Company to the Trustee under the Indenture of Exchange Securities in the same aggregate principal amount as the aggregate principal amount of Transfer Restricted Securities that were tendered by Holders thereof pursuant to the Exchange Offer.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Exchange Date: As defined in Section 3(a) hereof.

Exchange Offer: The registration by the Company under the Securities Act of the Exchange Securities, pursuant to a Registration Statement, pursuant to which the Company offers the Holders of all outstanding Transfer Restricted Securities that are eligible under the Commission's guidance to participate in such exchange offer the opportunity to exchange all such outstanding Transfer Restricted Securities held by such Holders for Exchange Securities in an aggregate principal amount equal to the aggregate principal amount of the Transfer Restricted Securities tendered in such exchange offer by such Holders.

Exchange Offer Registration Statement: The Registration Statement relating to the Exchange Offer, including the related Prospectus.

Exchange Securities: The 5.25% Senior Notes due 2023, of the same series under the Indenture as the Transfer Restricted Securities, to be issued to Holders in exchange for Transfer Restricted Securities pursuant to this Agreement.

FINRA: Financial Industry Regulatory Authority, Inc.

Guarantee: Means the unconditional guarantee of the Securities and the Exchange Securities on a senior unsecured basis by the Guarantors pursuant to the Indenture or any indenture governing the Exchange Securities. Unless the context otherwise requires, any reference herein to a "Security," a "Transfer Restricted Security" or an "Exchange Security" shall be deemed to include a reference to the related Guarantees, if any.

Guarantor: Means each subsidiary of the Company, if any, that executes and delivers a Guarantee on or after the Closing Date, in each case unless and until such Guarantor's Guarantee is terminated or otherwise released in accordance with the Indenture governing the Exchange Securities.

Holder: As defined in Section 2(b) hereof.

Indemnified Holder: As defined in Section 9(a) hereof.

Indenture: The Indenture, dated as of February 28, 2013, by and between the Company and Wells Fargo Bank, National Association, as trustee (the "Trustee"), pursuant to which the Securities are to be issued, as such Indenture is amended or supplemented from time to time in accordance with the terms thereof.

Initial Placement: The issuance and sale by the Company of the Securities to the Initial Purchasers pursuant to the Purchase Agreement on the Closing Date.

Initial Purchaser: As defined in the preamble hereof.

Initial Securities: The Securities issued and sold by the Company to the Initial Purchaser pursuant to the Purchase Agreement on the Closing Date.

Interest Payment Date: As defined in the Indenture and the Securities.

Joinder Agreement: As defined in Section 8 hereof.

Managing Underwriters: As defined in Section 11 hereof.

Person: An individual, partnership, corporation, trust or unincorporated organization, or a government or agency or political subdivision thereof.

Prospectus: The prospectus included in a Registration Statement, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

Purchase Agreement: As defined in the preamble hereof.

Registration Default: As defined in Section 5 hereof.

Registration Statement: Any registration statement of the Company relating to (a) an offering of Exchange Securities pursuant to an Exchange Offer or (b) the registration for resale of Transfer Restricted Securities pursuant to the Shelf Registration Statement, which is filed pursuant to the provisions of this Agreement, in each case, including the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

Securities: As defined in the preamble hereto.

Securities Act: The Securities Act of 1933, as amended.

Shelf Registration Statement: As defined in Section 4(a) hereof.

Transfer Restricted Security: Each Security, until the earliest to occur of (a) the date on which such Security is exchanged in the Exchange Offer for an Exchange Security entitled to be resold to the public by the Holder thereof without complying with the prospectus delivery requirements of the Securities Act, (b) the date on which the resale of such Security has been effectively registered under the Securities Act and disposed of in accordance with a Shelf Registration Statement, (c) the date on which such Security is distributed to the public by a Broker-Dealer pursuant to the "Plan of Distribution" contemplated by the Exchange Offer Registration Statement (including delivery of the Prospectus contained therein, except when afforded an exception to delivery requirements by Rule 172 under the Securities Act) and the (d) the date that is the two-year anniversary or the Closing Date.

Trust Indenture Act: The Trust Indenture Act of 1939, as amended.

Underwritten Registration or Underwritten Offering: A transaction registered under the Securities Act in which securities are sold to one or more underwriters for reoffering to the public.

SECTION 2. *Securities Subject to this Agreement*.

(a) *Transfer Restricted Securities.* The securities entitled to the benefits of this Agreement are the Transfer Restricted Securities.

(b) *Holders of Transfer Restricted Securities.* A Person is deemed to be a holder of Transfer Restricted Securities (each, a "Holder") whenever such Person owns Transfer Restricted Securities.

SECTION 3. *Registered Exchange Offer*.

(a) Unless the Exchange Offer shall not be permissible under applicable law or Commission policy (after the procedures set forth in Section 6(a) hereof have been complied with), or there are no Transfer Restricted Securities outstanding, the Company shall (i) cause to be filed with the Commission, a Registration Statement under the Securities Act relating to the Exchange Securities and the Exchange Offer, (ii) use its commercially reasonable efforts to cause such Registration Statement to become effective, (iii) in connection with the foregoing, file (A) all pre-effective amendments to such Registration Statement as may be necessary in order to cause such Registration Statement to become effective, (B) if applicable, a post-effective amendment to such Registration Statement pursuant to Rule 430A under the Securities Act and (C) cause all necessary filings in connection with the registration and qualification of the Exchange Securities to be made under the state securities or blue sky laws of such jurisdictions as are necessary to permit Consummation of the Exchange Offer, and (iv) upon the effectiveness of such Registration Statement, commence the Exchange Offer. The Company shall use its commercially reasonable efforts to Consummate the Exchange Offer not later than 270 days following the Closing Date (the "Exchange Date"). The Exchange Offer, if required pursuant to this Section 3(a), shall be on the appropriate form permitting registration of the Exchange Securities to be offered in exchange for the Transfer Restricted Securities and to permit resales of Transfer Restricted Securities held by Broker-Dealers as contemplated by Section 3(c) hereof.

(b) If an Exchange Offer Registration Statement is required to be filed and declared effective pursuant to Section 3(a) above, the Company shall cause the Exchange Offer Registration Statement to be effective continuously and shall keep the Exchange Offer open for a period of not less than the minimum period required under applicable federal and state securities laws to Consummate the Exchange Offer; *provided*, *however*, that in no event shall such period be less than 20 Business Days after the date notice of the Exchange Offer is mailed or sent to the Holders. The Company shall cause the Exchange Offer to comply in all material respects with all applicable federal and state securities laws. No securities other than the Exchange Securities (including the related Guarantees, if any) shall be included in the Exchange Offer Registration Statement. The Company shall use its commercially reasonable efforts to cause the Exchange Offer to be Consummated by the Exchange Date.

(c) The Company shall indicate in a "Plan of Distribution" section contained in the Prospectus forming a part of the Exchange Offer Registration Statement that any Broker-Dealer who holds Transfer Restricted Securities that were acquired for its own account as a result of market-making activities or other trading activities (other than Transfer Restricted Securities acquired directly from the Company), may exchange such Transfer Restricted Securities pursuant to the Exchange Offer; however, such Broker-Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act and must, therefore, deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the Exchange Securities received by such Broker-Dealer in the Exchange Offer, which prospectus delivery requirement may be satisfied by the delivery by such Broker-Dealer of the Prospectus contained in the Exchange Offer Registration Statement. Such "Plan of Distribution" section shall also contain all other information with respect to such resales by Broker-Dealers that the Commission may require in order to permit such resales pursuant thereto, but such "Plan of Distribution" shall not name any such Broker-Dealer or disclose the amount of Transfer Restricted Securities held by any such Broker-Dealer except to the extent required by the Commission as a result of a change in policy after the date of this Agreement.

The Company shall use its commercially reasonable efforts to keep the Exchange Offer Registration Statement continuously effective, supplemented and amended as required by the provisions of Section 6(c) hereof to the extent necessary to provide reasonable assurance that it is available for resales of Transfer Restricted Securities acquired by Broker-Dealers for their own accounts as a result of market-making activities or other trading activities, and to provide reasonable assurance that it conforms in all material respects with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, for a period ending on the earlier of (i) 180 days from the date on which the Exchange Offer Registration Statement is declared effective and (ii) the date on which a Broker-Dealer is no longer required to deliver a prospectus in connection with market-making or other trading activities.

The Company shall provide sufficient copies of the latest version of such Prospectus to Broker-Dealers promptly upon request at any time during such 180-day (or shorter as provided in the foregoing sentence) period in order to facilitate such resales.

Notwithstanding anything in this Section 3 to the contrary, the requirements to file an Exchange Offer Registration Statement and the requirements to Consummate the Exchange Offer shall terminate at such time as all the Securities are no longer Transfer Restricted Securities.

SECTION 4. *Shelf Registration*.

(a) *Shelf Registration.* If (i) because of any change in law or in currently prevailing interpretations of the staff of the Commission, the Company is not permitted to effect the Exchange Offer, (ii) for any reason the Exchange Offer is not Consummated by the Exchange Date, (iii) prior to the Exchange Date: (A) the Initial Purchasers request from the Company with respect to Transfer Restricted Securities not eligible to be exchanged for Exchange Securities in the Exchange Offer, (B) with respect to any Holder of Transfer Restricted Securities such Holder notifies the Company that (i) such Holder is prohibited by applicable law or Commission policy from participating in the Exchange Offer, (ii) such Holder may not resell the Exchange Securities

acquired by it in the Exchange Offer to the public without delivering a prospectus and that the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales by such Holder, or (iii) such Holder is a Broker-Dealer and holds Transfer Restricted Securities acquired directly from the Company or one of its affiliates or (C) in the case of any Initial Purchaser, such Initial Purchaser notifies the Company it will not receive Freely Tradable Exchange Securities in exchange for Transfer Restricted Securities constituting any portion of such Initial Purchaser's unsold allotment or (iv) in the case of any Holder that participates in the Exchange Offer, such Holder does not receive Exchange Securities on the date of the exchange that may be sold without restriction under state and federal securities laws (other than due solely to the status of such Holder as an affiliate of the Company within the meaning of the Securities Act) and so notifies the Company within 30 days after such Holder first becomes aware of such restrictions (but in any event no later than 30 days after the consummation of the Exchange Offer), the Company shall:

(x) use its commercially reasonable efforts to file a shelf registration statement pursuant to Rule 415 under the Securities Act, which may be an amendment to the Exchange Offer Registration Statement (in either event, the "Shelf Registration Statement") as soon as practicable after the filing obligation arises, which Shelf Registration Statement shall provide for resales of all Transfer Restricted Securities the Holders of which shall have provided the information required pursuant to Section 4(b) hereof; and

(y) use its commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective promptly by the Commission.

The Company shall use its commercially reasonable efforts to keep such Shelf Registration Statement continuously effective, supplemented and amended as required by the provisions of Sections 6(b) and (c) hereof to the extent necessary to provide reasonable assurance that it is available for resales of Transfer Restricted Securities by the Holders of such Securities entitled to the benefit of this Section 4(a), and to provide reasonable assurance that it conforms in all material respects with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, from the date on which the Shelf Registration Statement is declared effective by the Commission until the earlier of (i) one year after the effective date of such Shelf Registration Statement and (ii) the date upon which all Transfer Restricted Securities have been sold thereunder; *provided* that the Company shall have no obligation to file or maintain a Shelf Registration after the second anniversary of the Closing Date if at such time all of the Securities covered by such Shelf Registration (except for Securities held by an affiliate of the Company) are eligible for resale under Rule 144, without regard to volume, manner of sale or other restrictions contained in Rule 144 under the Securities Act (or any successor rule) and (iv) that the Company may for a period of up to 60 days in any three-month period, not to exceed 90 days in any twelve-month period, reasonably determine that the Shelf Registration Statement is not usable under circumstances relating to corporate developments, public filings with the Commission and similar events, and suspend the use of the Prospectus (a "Blackout Period"). Notwithstanding anything to the contrary, the requirements to file a Shelf Registration Statement and to have such Shelf-Registration Statement become effective and remain effective shall terminate at such time as all of the Securities are no longer Transfer Restricted Securities.

(b) *Provision by Holders of Certain Information in Connection with the Shelf Registration Statement.* No Holder of Transfer Restricted Securities may include any of its Transfer Restricted Securities in any Shelf Registration Statement pursuant to this Agreement unless and until such Holder furnishes to the Company in writing, within 20 Business Days after receipt of a request therefor, such information as the Company may reasonably request for use in connection with any Shelf Registration Statement or Prospectus or preliminary Prospectus included therein. Each Holder as to which any Shelf Registration Statement is being effected agrees to furnish promptly to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such Holder not materially misleading.

SECTION 5. *Additional Interest.* If (i) the Exchange Offer has not been Consummated by the Exchange Date, unless the Exchange Offer shall not be permissible under applicable law or Commission policy (in the reasonable opinion of counsel to the Company), (ii) any Shelf Registration Statement, if required hereby, has not been declared effective by the Commission by the Exchange Date or (iii) subject to Section 4(a) any Shelf Registration Statement required by this Agreement has been declared effective but ceases to be effective at any time at which it is required to be effective under this Agreement (each such event referred to in clauses (i) through (iii), a "Registration Default"), the Company hereby agrees that the interest rate borne by the Transfer Restricted Securities shall be increased by 0.25% per annum during the 90-day period immediately following the occurrence of any Registration Default (and shall increase by 0.25% per annum at the end of each subsequent 90-day period (such increase, "Additional Interest"), but in no event shall such increase exceed 1.00% per annum) commencing on (x) with respect to clauses (i) and (ii) above, the first day after the Exchange Date or (y) in the case of clause (iii) above, the day after the Shelf Registration Statement ceases to be effective; *provided*, however, upon the cure of all Registration Defaults relating to the particular Transfer Restricted Securities, the interest rate borne by the relevant Transfer Restricted Securities will be reduced to the original interest rate borne by such Transfer Restricted Securities; *provided, however,* that, if after any such reduction in interest rate, a different Registration Default occurs, the interest rate borne by the relevant Transfer Restricted Securities shall again be increased pursuant to the foregoing provisions.

All obligations of the Company set forth in the preceding paragraph that are outstanding with respect to any Transfer Restricted Security at the time such security ceases to be a Transfer Restricted Security shall survive until such time as all such obligations with respect to such security shall have been satisfied in full.

SECTION 6. *Registration Procedures*.

(a) *Exchange Offer Registration Statement.* In connection with the Exchange Offer, if required pursuant to Section 3(a) hereof, the Company shall comply in all material respects with all of the provisions of Section 6(c) hereof, shall use its commercially reasonable efforts to effect such exchange to permit the sale of Transfer Restricted Securities being sold in accordance with the intended method or methods of distribution thereof, and shall comply with all of the following provisions:

(i) If in the reasonable opinion of counsel to the Company there is a question as to whether the Exchange Offer is permitted by applicable law, the Company hereby agrees either to (A) seek a no-action letter or other favorable decision from the Commission allowing the Company to Consummate an Exchange Offer for such Transfer Restricted Securities or (B) file, in accordance with Section 4(a) hereof, a Shelf Registration Statement to permit the registration and/or resale of the Transfer Restricted Securities that would otherwise be covered by the Exchange Offer Registration Statement. The Company hereby agrees to pursue the issuance of such a decision to the Commission staff level but shall not be required to take commercially unreasonable action to effect a change of Commission policy. In the case of clause (A) above, the Company hereby agrees to (C) participate in telephonic conferences with the Commission staff, (D) deliver to the Commission staff an analysis prepared by counsel to the Company setting forth the legal bases, if any, upon which such counsel has concluded that such an Exchange Offer should be permitted and (E) diligently pursue a resolution by the Commission staff of such submission.

(ii) As a condition to its participation in the Exchange Offer pursuant to the terms of this Agreement, each Holder of Transfer Restricted Securities shall furnish, upon the request of the Company, prior to the Consummation thereof, a written representation to the Company (which may be contained in the letter of transmittal contemplated by the Exchange Offer Registration Statement) to the effect that (A) it is not an affiliate of the Company, (B) it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any Person to participate in, a distribution of the Exchange Securities to be issued in the Exchange Offer and (C) it is acquiring the Exchange Securities in its ordinary course of business. In addition, all such Holders of Transfer Restricted Securities shall otherwise cooperate in the Company's preparations for the Exchange Offer. Each Holder hereby acknowledges and agrees that any Broker-Dealer and any such Holder using the Exchange Offer to participate in a distribution of the securities to be acquired in the Exchange Offer (1) could not under Commission policy as in effect on the date of this Agreement rely on the position of the Commission enunciated in Morgan Stanley and Co., Inc. (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters (which may include any no-action letter obtained pursuant to clause (i) above), and (2) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction and that such a secondary resale transaction should be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K if the resales are of Exchange Securities obtained by such Holder in exchange for Transfer Restricted Securities acquired by such Holder directly from the Company.

(b) *Shelf Registration Statement.* If required pursuant to Section 4, in connection with the Shelf Registration Statement, the Company shall comply in all material respects with all the provisions of Section 6(c) hereof and shall use its commercially reasonable efforts to effect such registration to permit the sale of the Transfer Restricted Securities being sold in accordance with the intended method or methods of distribution thereof, and pursuant thereto the Company will as soon as reasonably practicable prepare and file with the Commission a Registration Statement relating to the registration on any appropriate form under the Securities Act, which form shall be available for the sale of the Transfer Restricted Securities in accordance with the intended method or methods of distribution thereof.

(c) *General Provisions.* In connection with any Registration Statement and any Prospectus required by this Agreement to permit the sale or resale of Transfer Restricted Securities (including, without limitation, any Registration Statement and the related Prospectus required to permit resales of Transfer Restricted Securities by Broker-Dealers), the Company, for the applicable period set forth in Section 3 or 4 hereof, shall:

(i) use its commercially reasonable efforts to keep such Registration Statement continuously effective and provide all requisite financial statements; upon the occurrence of any event that would cause any such Registration Statement or the Prospectus contained therein (A) to contain a material misstatement or omission or (B) not to be effective and usable for resale of Transfer Restricted Securities during the period required by this Agreement, the Company shall file promptly an appropriate amendment to such Registration Statement, in the case of clause (A), correcting any such misstatement or omission, and, in the case of either clause (A) or (B), use its commercially reasonable efforts to cause such amendment to be declared effective and such Registration Statement and the related Prospectus to become usable for their intended purposes as soon as reasonably practicable thereafter;

(ii) prepare and file with the Commission such amendments and post-effective amendments to the applicable Registration Statement as may be necessary to keep the Registration Statement effective; cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply in all material respects with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(iii) advise the Managing Underwriters (as defined below), if any, and selling Holders promptly upon becoming aware thereof and, if requested by such Persons, to confirm such advice in writing, (A) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to any Registration Statement or any post-effective amendment thereto, when the same has become effective, (B) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Transfer Restricted Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, (D) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the

Prospectus in order to make the statements therein, in the case of the Registration Statement, not misleading or, in the case of the Prospectus, not misleading in light of the circumstances in which they are made. If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement, or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Transfer Restricted Securities under state securities or blue sky laws, the Company shall use its commercially reasonable efforts to obtain the withdrawal or lifting of such order promptly;

(iv) furnish without charge to each of the Initial Purchasers, each selling Holder named in any Registration Statement, and each of the Managing Underwriters, if any, before filing with the Commission, copies of any Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the review and comment of such Holders and Managing Underwriters in connection with such sale, if any, for a period of at least five Business Days, and the Company will not file any such Registration Statement or Prospectus or any amendment or supplement to any such Registration Statement or Prospectus (including all such documents incorporated by reference) to which an Initial Purchaser of Transfer Restricted Securities covered by such Registration Statement or the Managing Underwriters, if any, shall reasonably object in writing within five Business Days after the receipt thereof (such objection to be deemed timely made upon confirmation of telecopy transmission within such period); *provided*, *however*, that this paragraph shall not apply to the extent that counsel to the Company has advised the Company that the distribution of such Registration Statement, Prospectus or any amendment or supplement to any such Registration Statement or Prospectus (including all such documents incorporated by reference) would be reasonably likely to result in the Company violating this Agreement or applicable law. The objection of an Initial Purchaser or Managing Underwriter, if any, shall be deemed to be reasonable if such Registration Statement, amendment, Prospectus or supplement, as applicable, as proposed to be filed, contains a material misstatement or omission;

(v) promptly prior to the filing of any document that is to be incorporated by reference into a Registration Statement or Prospectus, provide copies of such document to the Initial Purchasers, each selling Holder named in any Registration Statement, and to the Managing Underwriters, if any, make the Company's representatives available for discussion of such document and other customary due diligence matters, and include such information in such document prior to the filing thereof as such selling Holders or Managing Underwriters, if any, reasonably may request;

(vi) make available at reasonable times for inspection by the Initial Purchasers, the Managing Underwriters, if any, participating in any disposition pursuant to such Registration Statement and any attorney or accountant retained by such Initial Purchasers or any of the Managing Underwriters, all financial and other records, pertinent corporate documents and properties of the Company and cause the Company's officers, directors and employees to supply all information reasonably requested by any such Holder, Managing Underwriter, attorney or accountant in connection with such Registration Statement or any post-effective amendment thereto subsequent to the filing thereof and prior to its effectiveness and to participate in meetings with investors to the extent requested by the Managing Underwriters, if any;

(vii) if requested by any selling Holders or the Managing Underwriters, if any, promptly incorporate in any Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holders and Managing Underwriters, if any, may reasonably request to have included therein, including, without limitation, information relating to the "Plan of Distribution" of the Transfer Restricted Securities, information with respect to the principal amount of Transfer Restricted Securities being sold to such Managing Underwriters, the purchase price being paid therefor and any other terms of the offering of the Transfer Restricted Securities to be sold in such offering; and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(viii) cause the Transfer Restricted Securities covered by the Registration Statement to be rated with the appropriate rating agencies, if so requested by the Holders of a majority in aggregate principal amount of Securities covered thereby or the Managing Underwriters, if any;

(ix) furnish to each Initial Purchaser, each selling Holder and each of the Managing Underwriters, if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including financial statements and schedules, all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(x) deliver to each selling Holder and each of the Managing Underwriters, if any, without charge, as many copies of the Prospectus (including each preliminary prospectus) and any amendment or supplement thereto as such Persons reasonably may request; the Company hereby consents to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the Managing Underwriters, if any, in connection with the offering and the sale of the Transfer Restricted Securities covered by the Prospectus or any amendment or supplement thereto;

(xi) enter into such customary agreements (including an underwriting agreement), and make such customary representations and warranties, and take all such other actions in connection therewith in order to facilitate the disposition of the Transfer Restricted Securities pursuant to any Registration Statement contemplated by this Agreement, all to such extent as may be reasonably requested by any Initial Purchaser or by any Holder of Transfer Restricted Securities or Managing Underwriter in connection with any sale or resale pursuant to any Registration Statement contemplated by this Agreement; and whether or not an underwriting agreement is entered into and whether or not the registration is an Underwritten Registration, the Company shall:

(A) furnish to each Initial Purchaser, each selling Holder and each Managing Underwriter, if any, in such substance and scope as they may reasonably request and as are customarily made by issuers to underwriters in primary Underwritten Offerings, upon the date of the Consummation of the Exchange Offer or, if applicable, the effectiveness of the Shelf Registration Statement:

(1) a certificate, dated the date of Consummation of the Exchange Offer or the date of effectiveness of the Shelf Registration Statement, as the case may be, signed by (y) the President or any Vice President and (z) a principal financial or accounting officer of the Company confirming, as of the date thereof, the matters set forth in paragraphs (i), (ii) and (iii) of Section 5(f) of the Purchase Agreement and such other matters as such parties may reasonably request;

(2) an opinion, dated the date of Consummation of the Exchange Offer or the date of effectiveness of the Shelf Registration Statement, as the case may be, of counsel for the Company, covering the matters covered by the opinion delivered pursuant to Section 5(c) of the Purchase Agreement (as such matters are applicable in the context of the Consummation of the Exchange Offer or the date of effectiveness of the Shelf Registration Statement, as the case may be) and such other matters as such parties may reasonably request, and in any event including a statement to the effect that such counsel has participated in conferences with officers and other representatives of the Company, representatives of the independent public accountants for the Company, representatives of the Managing Underwriters, if any, and counsel to the Managing Underwriters, if any, in connection with the preparation of such Registration Statement and the related Prospectus and have considered the matters required to be stated therein and the statements contained therein, although such counsel has not independently verified the accuracy, completeness or fairness of such statements; and that such counsel advises that, on the basis of the foregoing, no facts came to such counsel's attention that caused such counsel to believe that the applicable Registration Statement, at the time such Registration Statement or any post-effective amendment thereto became effective, and, in the case of the Exchange Offer Registration Statement, as of the date of Consummation, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus contained in such Registration Statement as of its date and, in the case of the opinion dated the date of Consummation of the Exchange Offer, as of the date of Consummation, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein not misleading. Without limiting the foregoing, such counsel may state further that such counsel assumes no responsibility for, and has not independently verified, the accuracy, completeness or fairness of the financial statements, notes and schedules and other financial data included in any Registration Statement contemplated by this Agreement or the related Prospectus and such other customary matters; and

(3) solely in connection with an Underwritten Offering, a customary comfort letter, dated the date of effectiveness of the Shelf Registration Statement, from the Company's independent accountants, in the customary form and covering matters of the type customarily requested to be covered in comfort letters by underwriters in connection with primary Underwritten Offerings, and covering or affirming the matters set forth in the comfort letters delivered pursuant to Section 5(a) of the Purchase Agreement, without material exception;

(B) set forth in full or incorporate by reference in the underwriting agreement, if any, the indemnification provisions and procedures of Section 9 hereof with respect to all parties to be indemnified pursuant to said Section; and

(C) deliver such other documents and certificates as may be reasonably requested by such parties to evidence compliance with Section 6(c)(xi)(A) hereof and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company pursuant to this Section 6(c)(xi), if any.

If at any time the representations and warranties of the Company contemplated in Section 6(c)(xi)(A)(1) hereof cease to be true and correct, the Company shall so advise the Initial Purchasers and the Managing Underwriters, if any, and each selling Holder promptly and, if requested by such Persons, shall confirm such advice in writing;

(xii) prior to any public offering of Transfer Restricted Securities, reasonably cooperate with the selling Holders, the Managing Underwriters, if any, and their respective counsel in connection with the registration and qualification of the Transfer Restricted Securities under the state securities or blue sky laws of such jurisdictions as the selling Holders or Managing Underwriters, if any, may reasonably request and do any and all other acts or things reasonably necessary or advisable to enable the disposition in such jurisdictions of the Transfer Restricted Securities covered by the Shelf Registration Statement; *provided*, *however*, that the Company shall not be required to register or qualify as a foreign corporation where it is not then so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not then so subject;

(xiii) shall issue, upon the request of any Holder of Transfer Restricted Securities covered by the Shelf Registration Statement, Exchange Securities having an aggregate principal amount equal to the aggregate principal amount of Transfer Restricted Securities surrendered to the Company by such Holder in exchange therefor or being sold by such Holder; such Exchange Securities to be registered in the name of such Holder or in the name of the purchasers of such Securities, as the case may be; in return, the Transfer Restricted Securities held by such Holder shall be surrendered to the Company for cancellation;

(xiv) reasonably cooperate with the selling Holders and the Managing Underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Transfer Restricted Securities to be sold and not bearing any restrictive legends; and enable such Transfer Restricted Securities to be in such denominations and registered in such names as the Holders or the Managing Underwriters, if any, may reasonably request at least two Business Days prior to any sale of Transfer Restricted Securities made by such Holders or Managing Underwriters;

(xv) use its commercially reasonable efforts to cause the Transfer Restricted Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be reasonably necessary to enable the seller or sellers thereof or the Managing Underwriters, if any, to consummate the disposition of such Transfer Restricted Securities, subject to the proviso contained in Section 6(c)(xii) hereof;

(xvi) if any fact or event contemplated by Section 6(c)(iii)(D) hereof shall exist or have occurred, prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Transfer Restricted Securities, the Prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the case of the Registration Statement, not misleading or, in the case of the Prospectus, not misleading in light of the circumstances in which they are made;

(xvii) provide a CUSIP number for all Exchange Securities not later than the effective date of the Registration Statement covering such Securities and provide the Trustee under the Indenture with printed certificates for such Exchange Securities which are in a form eligible for deposit with the Depository Trust Company and take all other action reasonably necessary to ensure that all such Exchange Securities are eligible for deposit with the Depository Trust Company;

(xviii) reasonably cooperate and assist in any filings required to be made with the FINRA and in the performance of any due diligence investigation by any Managing Underwriter (including any “qualified independent underwriter”) that is required to be retained in accordance with the rules and regulations of the FINRA;

(xix) otherwise use its commercially reasonable efforts to comply in all material respects with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of Rule 158 under the Securities Act (which need not be audited) for the twelve-month period (A) commencing at the end of any fiscal quarter in which Transfer Restricted Securities are sold to underwriters in a firm commitment or commercially reasonable efforts Underwritten Offering or (B) if not sold to underwriters in such an offering, beginning with the first month of the Company’s first fiscal quarter commencing after the effective date of the Registration Statement;

(xx) use its commercially reasonable efforts to cause the Indenture to be qualified under the Trust Indenture Act not later than the effective date of the first Registration Statement required by this Agreement, and, in connection therewith, reasonably cooperate with the Trustee and the Holders of Securities to effect such changes to the Indenture as may be required for such Indenture to be so qualified in accordance with the terms of the Trust Indenture Act; and to execute and use its commercially reasonable efforts to cause the Trustee to execute, all documents that may be reasonably required to effect such changes and all other forms and documents required to be filed with the Commission to enable such Indenture to be so qualified in a timely manner;

(xxi) use its commercially reasonable efforts to cause all Securities covered by the Registration Statement to be listed on each securities exchange or automated quotation system on which similar securities issued by the Company are then listed if requested by the Holders of a majority in aggregate principal amount of Securities or the Managing Underwriters, if any; and

(xxii) provide promptly to each Holder upon request each document filed with the Commission pursuant to the requirements of Section 13 and Section 15 of the Exchange Act.

Each Holder agrees by acquisition of a Transfer Restricted Security that, upon receipt of any notice from the Company of the existence of any fact of the kind described in Section 6(c)(iii)(D) hereof, such Holder will forthwith discontinue disposition of Transfer Restricted Securities pursuant to the applicable Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 6(c)(xvi) hereof, or until it is advised in writing (the "Advice") by the Company that the use of the Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in the Prospectus. If so directed by the Company, each Holder will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Transfer Restricted Securities that was current at the time of receipt of such notice. In the event the Company shall give any such notice, the time period regarding the effectiveness of such Registration Statement set forth in Section 3 or 4 hereof, as applicable, shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 6(c)(iii)(D) hereof to and including the date when each selling Holder covered by such Registration Statement shall have received the copies of the supplemented or amended Prospectus contemplated by Section 6(c)(xvi) hereof or shall have received the Advice; *provided, however,* that no such extension shall be taken into account in determining whether Additional Interest is due pursuant to Section 5 hereof or the amount of such Additional Interest, it being agreed that the Company's option to suspend use of a Registration Statement pursuant to this paragraph shall be treated as a Registration Default for purposes of Section 5 hereof.

Each Holder will furnish to the Company such information regarding such Holder and the distribution of such Transfer Restricted Securities as the Company may from time to time reasonably request in writing, but only to the extent such information is required to comply with the Securities Act or any relevant state securities or Blue Sky law or obligation.

SECTION 7. *Registration Expenses*.

(a) All expenses incident to the Company's performance of or compliance with this Agreement will be borne by the Company, regardless of whether a Registration Statement becomes effective, including, without limitation: (i) all registration and filing fees and expenses (including filings made by any Initial Purchaser or Holder with the FINRA (and, if applicable, the fees and expenses of any "qualified independent underwriter" and its counsel that may be required by the rules and regulations of the FINRA)); (ii) all fees and expenses of compliance with federal securities and state securities or blue sky laws; (iii) all expenses of printing (including printing certificates for the Exchange Securities to be issued in the Exchange Offer and printing of Prospectuses), messenger and delivery services and telephone; (iv) all fees and disbursements of counsel for the Company and, subject to Section 7(b) hereof, the Holders of Transfer Restricted Securities; (v) all application and filing fees in connection with listing the Exchange Securities on a securities exchange or automated quotation system pursuant to the requirements thereof; and (vi) all fees and disbursements of independent certified public accountants of the Company (including the expenses of any special audit and comfort letters required by or incident to such performance).

The Company will, in any event, bear its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit and the fees and expenses of any Person, including special experts, retained by the Company.

(b) In connection with any Registration Statement required by this Agreement (including, without limitation, the Exchange Offer Registration Statement and the Shelf Registration Statement), the Company will reimburse the Initial Purchasers and the Holders of Transfer Restricted Securities being tendered in the Exchange Offer and/or resold pursuant to the "Plan of Distribution" contained in the Exchange Offer Registration Statement or registered pursuant to the Shelf Registration Statement, as applicable, for the reasonable fees and disbursements of not more than one counsel, who shall be Cahill Gordon & Reindel LLP or such other counsel as may be chosen by the Holders of a majority in principal amount of the Transfer Restricted Securities for whose benefit such Registration Statement is being prepared.

SECTION 8. Subsequent Guarantors.

The Company agrees that to the extent any subsidiary becomes a Guarantor on or after the date hereof pursuant to the terms of the Indenture it shall promptly cause such Guarantor to enter into a joinder to the registration rights agreement (the "Joinder Agreement"), in form and substance reasonably satisfactory to the Representative, whereby the obligations of the Company under this Agreement will also become the obligations of such Guarantor.

SECTION 9. *Indemnification.*

(a) The Company agrees to indemnify and hold harmless (i) each Holder and (ii) each Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any Holder (any of the Persons referred to in this clause (ii) being hereinafter referred to as a "controlling person") and (iii) the respective officers, directors, partners, employees, representatives and agents of any Holder or any controlling person (any Person referred to in clause (i), (ii) or (iii) may hereinafter be referred to as an "Indemnified Holder"), to the fullest extent lawful, from and against any and all losses, claims, damages, liabilities, judgments, actions and expenses (including, without limitation, and as incurred, reimbursement of all reasonable costs of investigating, preparing, pursuing, settling, compromising, paying or defending any claim or action, or any investigation or proceeding by any governmental agency or body, commenced or threatened, including the reasonable fees and expenses of counsel to any Indemnified Holder), joint or several, directly or indirectly caused by, related to, based upon, arising out of or in connection with any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or Prospectus (or any amendment or supplement thereto), or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the case of the Registration Statement, not misleading or, in the case of the Prospectus, not misleading in light of the circumstances in which they are made, except insofar as such losses, claims, damages, liabilities or expenses are caused by an untrue statement or omission or alleged untrue statement or omission that is made in reliance upon and in conformity with information relating to any of the Holders furnished in writing to the Company by any of the Holders expressly for use therein. This indemnity agreement shall be in addition to any liability which the Company may otherwise have.

In case any action or proceeding (including any governmental or regulatory investigation or proceeding) shall be brought or asserted against any of the Indemnified Holders with respect to which indemnity may be sought against the Company, such Indemnified Holder (or the Indemnified Holder controlled by such controlling person) shall promptly notify the Company in writing; *provided, however,* that the failure to give such notice shall not relieve the Company of its obligations pursuant to this Agreement, but the omission to so notify the Company (i) will not relieve the Company of its obligations under paragraph (a) above unless and to the extent such failure results in the forfeiture by the Company of substantial rights and defenses. Such Indemnified Holder shall have the right to employ its own counsel in any such action and the fees and expenses of such counsel shall be paid, as incurred, by the Company (regardless of whether it is ultimately determined that an Indemnified Holder is not entitled to indemnification hereunder). The Company shall not, in connection with any one such action or proceeding or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for such Indemnified Holders, which firm shall be designated by the Holders. The Company shall be liable for any settlement of any such action or proceeding effected with the Company's prior written consent, which consent shall not be withheld unreasonably, and the Company agrees to indemnify and hold harmless any Indemnified Holder from and against any loss, claim, damage, liability or expense by reason of any settlement of any action effected with the written consent of the Company. The Company shall not, without the prior written consent of each Indemnified Holder, settle or compromise or consent to the entry of judgment in or otherwise seek to terminate any

pending or threatened action, claim, litigation or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Holder is a party thereto), unless such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Holder from all liability arising out of such action, claim, litigation or proceeding.

(b) Each Holder of Transfer Restricted Securities agrees, severally and not jointly, to indemnify and hold harmless the Company and its directors, officers of the Company who sign a Registration Statement, and any Person controlling (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company, and the respective officers, directors, partners, employees, representatives and agents of each such Person, to the same extent as the foregoing indemnity from the Company to each of the Indemnified Holders, but only with respect to losses, claims, damages, liabilities, judgments, actions and expenses directly or indirectly caused by, related to, based on, arising out of or in connection with information relating to such Holder furnished in writing by such Holder expressly for use in any Registration Statement. In case any action or proceeding shall be brought against the Company or its directors or officers or any such controlling person in respect of which indemnity may be sought against a Holder of Transfer Restricted Securities, such Holder shall have the rights and duties given the Company and the Company, its directors and officers and such controlling person shall have the rights and duties given to each Holder by the preceding paragraph.

(c) If the indemnification provided for in this Section 9 is unavailable to an indemnified party under Section 9(a) or (b) hereof (other than by reason of exceptions provided in those Sections) in respect of any losses, claims, damages, liabilities, judgments, actions or expenses referred to therein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Holders, on the other hand, from the Initial Placement (which in the case of the Company shall be deemed to be equal to the total net proceeds to the Company from the Initial Placement), the amount of Additional Interest which did not become payable as a result of the filing of the Registration Statement resulting in such losses, claims, damages, liabilities, judgments actions or expenses, and such Registration Statement, or if such allocation is not permitted by applicable law, the relative fault of the Company, on the one hand, and the Holders, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and of the Indemnified Holder on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand, or the Indemnified Holders, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include, subject to the limitations set forth in the second paragraph of Section 9(a) hereof, any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim.

The Company and each Holder of Transfer Restricted Securities agree that it would not be just and equitable if contribution pursuant to this Section 9(c) were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or expenses referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 9, none of the Holders (and its related Indemnified Holders) shall be required to contribute, in the aggregate, any amount in excess of the amount by which the total discount received by such Holder with respect to the Initial Securities exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Holders' obligations to contribute pursuant to this Section 9(c) are several in proportion to the respective principal amount of Initial Securities held by each of the Holders hereunder and not joint.

SECTION 10. *Rule 144A.* The Company hereby agrees with each Holder, for so long as any Transfer Restricted Securities remain outstanding, to make available to any Holder or beneficial owner of Transfer Restricted Securities in connection with any sale thereof and any prospective purchaser of such Transfer Restricted Securities from such Holder or beneficial owner, the information required by Rule 144A(d)(4) under the Securities Act in order to permit resales of such Transfer Restricted Securities pursuant to Rule 144A under the Securities Act.

SECTION 11. *Participation in Underwritten Registrations*. No Holder may participate in any Underwritten Registration hereunder unless such Holder (a) agrees to sell such Holder's Transfer Restricted Securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all reasonable questionnaires, powers of attorney, indemnities, underwriting agreements, lock-up letters and other documents required under the terms of such underwriting arrangements.

SECTION 12. *Selection of Underwriters*. The Holders of Transfer Restricted Securities covered by the Shelf Registration Statement who desire to do so may sell such Transfer Restricted Securities in an Underwritten Offering. In any such Underwritten Offering, the investment bankers and managing underwriters that will administer such offering (the "Managing Underwriters") will be selected by the Holders of a majority in aggregate principal amount of the Transfer Restricted Securities included in such offering; provided, however, that such investment bankers and Managing Underwriters must be reasonably satisfactory to the Company.

SECTION 13. *Miscellaneous.*

(a) *Remedies.* The Company hereby agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Agreement and hereby agree to waive the defense in any action for specific performance that a remedy at law would be adequate.

(b) *No Inconsistent Agreements.* The Company will not on or after the date of this Agreement enter into any agreement with respect to its securities that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof. The Company has not previously entered into any agreement granting any registration rights with respect to the Securities to any Person. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's securities under any agreement in effect on the date hereof.

(c) *Adjustments Affecting the Securities.* The Company will not take any action or permit any change to occur, with respect to the Securities, that would materially and adversely affect the ability of the Holders to Consummate any Exchange Offer.

(d) *Amendments and Waivers.* The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given unless the Company has (i) in the case of Section 5 hereof and this Section 12(d)(i), obtained the written consent of Holders of all outstanding Transfer Restricted Securities and (ii) in the case of all other provisions hereof, obtained the written consent of Holders of a majority of the outstanding principal amount of Transfer Restricted Securities (excluding any Transfer Restricted Securities held by the Company or its Affiliates). Notwithstanding the foregoing, a waiver or consent to departure from the provisions hereof that relates exclusively to the rights of Holders whose securities are being tendered pursuant to the Exchange Offer and that does not affect directly or indirectly the rights of other Holders whose securities are not being tendered pursuant to such Exchange Offer may be given by the Holders of a majority of the outstanding principal amount of Transfer Restricted Securities being tendered or registered; *provided*, *however*, that, with respect to any matter that directly or adversely affects the rights of any Initial Purchaser hereunder, the Company shall obtain the written consent of each such Initial Purchaser with respect to which such amendment, qualification, supplement, waiver, consent or departure is to be effective.

(e) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail (registered or certified, return receipt requested), telex, telecopier, or air courier guaranteeing overnight delivery:

(i) if to a Holder, at the address set forth on the records of the Registrar under the Indenture, with a copy to the Registrar under the Indenture; and

(ii) if to the Company:

PolyOne Corporation
33587 Walker Road
Avon Lake, Ohio 44012
Telecopier No.: (440) 930-1002
Attention: Lisa K. Kunkle

With a copy to:

Jones Day
901 Lakeside Avenue
Cleveland, Ohio 44114
Telecopier No.: (216) 579-0212
Attention: Michael J. Solecki

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt acknowledged, if telecopied; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands or other communications shall be concurrently delivered by the Person giving the same to the Trustee at the address specified in the Indenture.

(f) *Successors and Assigns.* This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including, without limitation, and without the need for an express assignment, subsequent Holders of Transfer Restricted Securities; *provided*, *however*, that this Agreement shall not inure to the benefit of or be binding upon a successor or assign of a Holder unless and to the extent such successor or assign acquired Transfer Restricted Securities from such Holder.

(g) *Counterparts.* This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) *Headings.* The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) *Governing Law.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW RULES THEREOF.

(j) *Severability.* In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(k) *Entire Agreement.* This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted by the Company with respect to the Transfer Restricted Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

POLYONE CORPORATION

By: /s/ Daniel J. O'Bryon
Name: Daniel J. O'Bryon
Title: Vice President, Treasurer

The foregoing Registration Rights Agreement is hereby confirmed and accepted as of the date first above written:

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
Acting on behalf of itself
and as the Representative of
the several Initial Purchasers

By: /s/ Justin A. Neubauer
Name: Justin A. Neubauer
Title: Director

AMENDED AND RESTATED CREDIT AGREEMENT

by and among

POLYONE CORPORATION
as US Borrower

POLYONE CANADA INC.
as Canadian Borrower

THE OTHER LOAN PARTIES PARTY HERETO

THE LENDERS THAT ARE SIGNATORIES HERETO
as Lenders

WELLS FARGO CAPITAL FINANCE, LLC
as Administrative Agent

BANK OF AMERICA, N.A. and
U.S. BANK NATIONAL ASSOCIATION
as Syndication Agents

PNC BANK, NATIONAL ASSOCIATION and
KEYBANK NATIONAL ASSOCIATION
as Documentation Agents

and

WELLS FARGO CAPITAL FINANCE, LLC and
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
as Joint Lead Arrangers and Bookrunners

Dated as of March 1, 2013

TABLE OF CONTENTS

EXHIBITS AND SCHEDULES

AMENDED AND RESTATED
CREDIT AGREEMENT

THIS AMENDED AND RESTATED CREDIT AGREEMENT (this "Agreement"), is entered into as of March 1, 2013, by and among the lenders identified on the signature pages hereof (each of such lenders, together with their respective successors and permitted assigns, are referred to hereinafter as a "Lender", as that term is hereinafter further defined), Wells Fargo Capital Finance, LLC, a Delaware limited liability company, as agent for the Lenders (in such capacity, together with its successors and assigns in such capacity, "Agent"), PolyOne Corporation, an Ohio corporation ("Parent"), and the subsidiaries of Parent organized under the laws of a jurisdiction in the United States party hereto as borrowers (together with Parent, and certain other subsidiaries of Parent organized under the laws of a jurisdiction in the United States that are or may become party hereto after the date hereof, each individually a "US Borrower" and collectively, "US Borrowers" as hereinafter further defined), PolyOne Canada Inc., a federally incorporated Canadian corporation ("PolyOne Canada", and together with certain other subsidiaries of Parent organized under the laws of a jurisdiction in Canada that are or may become party hereto after the date hereof, each individually a "Canadian Borrower" and collectively, "Canadian Borrowers" as hereinafter further defined and, together with US Borrowers, each individually a "Borrower" and collectively, "Borrowers"), the subsidiaries of Parent organized under the laws of a jurisdiction in the United States party hereto as guarantors (each individually a "US Guarantor" and collectively, "US Guarantors" as hereinafter further defined), those subsidiaries of Parent organized under the laws of a jurisdiction in Canada that may become party hereto as guarantors after the date hereof (each individually a "Canadian Guarantor" and collectively, "Canadian Guarantors" as hereinafter further defined, and together with US Guarantors, each individually a "Guarantor" and collectively, "Guarantors" as hereinafter further defined), Bank of America, N.A. and U.S. Bank National Association, each as Syndication Agents, KeyBank National Association and PNC Bank, National Association, each as Documentation Agents, and Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, in their respective capacities as Joint Lead Arrangers and Joint Bookrunners.

The parties agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1. Definitions. Capitalized terms used in this Agreement shall have the meanings specified therefor on Schedule 1.1.

1.2. Accounting Terms. Any accounting term used in this Agreement shall have, unless otherwise specifically provided herein, the meaning customarily given in accordance with GAAP, and all financial computations hereunder shall be computed unless otherwise specifically provided herein, in accordance with GAAP as consistently applied and using the same method for inventory valuation as used in the preparation of the financial statements of Parent most recently received

by Agent prior to the date hereof; provided, that, in the event of any change in GAAP after the date hereof that affects the covenants in Section 7 hereof, Administrative Borrower may by notice to Agent, or Agent may, and at the request of Required Lenders shall, by notice to Administrative Borrower request that Agent and Administrative Borrower negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided, that, until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) Administrative Borrower shall provide to Agent and 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. No consent or amendment fee shall be required to be paid to any Lender in connection with an amendment contemplated by this Section 1.2. Notwithstanding anything to the contrary contained in GAAP or any interpretations or other pronouncements by the Financial Accounting Standards Board or otherwise, the term "unqualified opinion" as used herein to refer to opinions or reports provided by accountants shall mean an opinion or report that is unqualified and also does not include any explanation, supplemental comment or other comment concerning the ability of the applicable person to continue as a going concern or the scope of the audit. When used herein, the term "financial statements" shall include the notes and schedules thereto. Whenever the term "Parent" or "Borrowers" is used in respect of a financial covenant or a related definition, it shall be understood to mean Parent or Borrowers and their Restricted Subsidiaries on a consolidated basis, unless the context clearly requires otherwise. For purposes of calculations pursuant to the terms of this Agreement, GAAP will be deemed to treat operating leases in a manner consistent with the current treatment under GAAP as in effect on the Effective Date, notwithstanding any modification or interpretive changes thereto that may occur hereafter.

1.3. Code. Any terms used in this Agreement that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein and any terms used in this Agreement that are defined in the PPSA and relating to Collateral consisting of assets of the Canadian Loan Parties shall be construed and defined as set forth in the PPSA unless otherwise defined herein; provided, that, to the extent that the Code is used to define any term herein and such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern.

1.4. Construction. Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other Loan

Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). 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. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any reference herein to "province" or like terms shall be construed to include "territory" and like terms. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with Section 14.1 or is cured if such Event of Default is capable of being cured. Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations shall mean (a) the repayment in full in cash or immediately available funds of all of the Obligations (including the payment of any Lender Group Expenses that have accrued regardless of whether demand has been made therefor), excluding in any case the Obligations described in the following clause (b) of this Section 1.4, and (b) in the case of (i) contingent reimbursement obligations with respect to Letters of Credit, the receipt by Agent of the Letter of Credit Collateralization, (ii) Bank Products other than Hedge Obligations, the receipt by Agent of the Bank Product Collateralization, (iii) checks or other payments provisionally credited to the Obligations and for which Agent or any Lender has not received final payment, the receipt by Agent of cash collateral to secure such amounts (unless Agent shall have received a satisfactory indemnity with respect thereto from another financial institution), (iv) Hedge Obligations, the receipt by Agent of cash collateral to secure such amounts (or, at the option of Agent or the Hedge Provider with respect to such Hedge Agreements, the termination of the applicable Hedge Agreement and the payment in full in cash of the Obligations due and payable in connection with such termination), and (v) other contingent Obligations for which a claim or demand for payment has been made at such time to Agent or any Lender for which Agent or such Lender is entitled to indemnification by any Loan Party, the receipt by Agent of cash collateral to secure such amounts. Unless the context of this Agreement or any other Loan Document clearly requires otherwise or Agent otherwise determines, amounts expressed in US Dollars at any time when used with respect to Foreign Subsidiaries or similar matters shall be deemed to mean the US Dollar Equivalent of such amounts at such time.

1.5. Time References. Unless otherwise indicated herein, all references to time of day refer to Eastern Standard Time or Eastern daylight saving time, as in effect in New York City on such day. For purposes of the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to and including"; provided, that, with respect to a computation of fees or interest payable to Agent or any Lender, such period shall include the first day, but not the last day of it so long as payment thereof is received prior to the time specified in Section 2.5, but in any event shall consist of at least one full day.

1.6. Schedules and Exhibits. All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

1.7. Effect of Amendment and Restatement; No Novation. Upon the effectiveness of this Agreement, the Existing Credit Agreement shall be amended and restated in its entirety by this Agreement. The Existing Obligations shall continue in full force and effect, and the effectiveness of this Agreement shall not constitute a novation or repayment of the Existing Obligations. Such Existing Obligations, together with any and all additional Obligations incurred by any Borrower under this Agreement or under any of the other Loan Documents, shall continue to be secured by, among other things, the applicable portions of the Collateral, whether now existing or hereafter acquired and wheresoever located, all as more specifically set forth in the Loan Documents. Each Borrower and each Guarantor hereby reaffirms its obligations, liabilities, grants of security interests, pledges and the validity of all covenants by it contained in any and all Loan Documents, as amended, supplemented or otherwise modified by this Agreement and by the other Loan Documents delivered prior to the Effective Date. Any and all references in any Loan Documents to the Existing Credit Agreement shall be deemed to be amended to refer to this Agreement.

2. LOANS AND TERMS OF PAYMENT.

2.1. Revolving Loans.

(a) Immediately prior to giving effect to this Agreement, the outstanding principal balance of the US Revolving Loans (as defined in the Existing Credit Agreement) is $0. Subject to the terms and conditions of this Agreement, and during the term of this Agreement, each US Lender agrees (severally, not jointly or jointly and severally) to make revolving loans ("US Revolving Loans") to US Borrowers which in the aggregate any time outstanding shall not exceed the lesser of:

(i) such US Lender's Commitment, or

(ii) such US Lender's Pro Rata Share of an amount equal to the lesser of:

(A) the amount equal to (1) the US Maximum Credit less (2) the sum of the US Letter of Credit Usage at such time, plus the principal amount of US Swing Loans outstanding at such time, and

(B) the amount equal to (1) the US Borrowing Base at such time less (2) the sum of the US Letter of Credit Usage at such time, plus the principal amount of US Swing Loans outstanding at such time.

Each US Revolving Loan shall be a US Dollar Denominated Loan, and shall be either a Base Rate Loan or a LIBOR Rate Loan.

(b) Immediately prior to giving effect to this Agreement, the outstanding principal balance of the Canadian Revolving Loans (as defined in the Existing Credit Agreement) is $0. Subject to the terms and conditions of this Agreement, and during the term of this Agreement, each Canadian Lender with a Canadian Commitment agrees (severally, not jointly or jointly and severally) to make revolving loans ("Canadian Revolving Loans") to Canadian Borrowers which in the aggregate any time outstanding shall not exceed the lesser of:

(i) such Canadian Lender's Canadian Commitment, or

(ii) such Canadian Lender's Pro Rata Share of an amount equal to the lesser of:

(A) the amount equal to (1) the Canadian Maximum Credit less (2) the Canadian Letter of Credit Usage at such time, plus the principal amount of Canadian Swing Loans outstanding at such time, and

(B) the amount equal to (1) the Canadian Borrowing Base at such time less (2) the Canadian Letter of Credit Usage at such time, plus the principal amount of Canadian Swing Loans outstanding at such time.

Each Canadian Revolving Loan shall be either a US Dollar Denominated Loan (which shall be either a Base Rate Loan or a LIBOR Rate Loan) or a Canadian Dollar Denominated Loan (which shall be either a Base Rate Loan or a BA Rate Loan).

(c) Anything to the contrary in this Section 2.1 or otherwise notwithstanding, the aggregate principal amount of all Revolving Loans (including Swing Loans, Protective Advances and Overadvances) plus the Letter of Credit Usage outstanding at any time shall not exceed the Existing Note Secured Debt Limit. Agent may at any time and from time to time require that an Authorized Person execute and deliver to Agent a certificate, in form and substance reasonably satisfactory to Agent, representing the amount of the Existing Note Secured Debt Limit at such time and that the aggregate principal amount of all Revolving Loans (including Swing Loans, Protective Advances and Overadvances) plus the Letter of Credit Usage outstanding at such time (and after giving effect to any of the foregoing that have been requested) does not and will not exceed such Existing Note Secured Debt Limit.

(d) Amounts borrowed pursuant to this Section 2.1 may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement. The outstanding principal amount of the Revolving Loans, together with interest accrued thereon, shall be due and payable on the Maturity Date or, if earlier, on the date on which they are declared due and payable pursuant to the terms of this Agreement.

(e) Anything to the contrary in this Section 2.1 notwithstanding, Agent shall have the right (but not the obligation), in its Permitted Discretion, to establish, increase, reduce, eliminate, or otherwise adjust reserves (without duplication) from time to time against the US Borrowing Base or the Canadian Borrowing Base in such amounts, and with respect to such matters, as Agent in its Permitted Discretion shall deem necessary, including (i) reserves in an amount equal to the Bank Product Reserve Amount, (ii) reserves in an amount equal to the 2015 Note Reserve Amount, (iii) reserves in an amount equal to the Series G Guarantee Reserve Amount, (iv) reserves in the amount of any Restricted Payment under Section 6.8(h) that has been declared but has not yet been paid, but only if Excess Availability is less than $100,000,000

at any time during the period commencing with the declaration of such Restricted Payment and ending with the payment thereof, and (v) reserves with respect to (A) sums that Parent or its Subsidiaries are required to pay under this Agreement or any other Loan Document (such as taxes, assessments, insurance premiums, or, in the case of leased assets, rents or other amounts payable under such leases) and has failed to pay when due, and (B) amounts owing by Parent or its Subsidiaries to any Person to the extent secured by a Lien on, or trust or deemed trust over, any of the First Lien Collateral (other than a Permitted Lien under clause (m) of the definition of such term), which Lien, trust or deemed trust, in the Permitted Discretion of Agent likely would be pari passu with, or have a priority superior to, Agent's Liens (such as Priority Payables or Liens or trusts in favor of landlords, warehousemen, carriers, mechanics, materialmen, laborers, or suppliers, or Liens or trusts for ad valorem, excise, sales, or other taxes or other amounts that may be pari passu or given priority under applicable law) in and to such item of the First Lien Collateral. To the extent that an event, condition or matter as to any Eligible Accounts or Eligible Inventory is addressed pursuant to the treatment thereof within the applicable definition of such terms, Agent shall not also establish a reserve to address the same event, condition or matter. The amount of any reserve established by Agent shall have a reasonable relationship to the event, condition or other matter which is the basis for such reserve as determined by Agent in its Permitted Discretion and to the extent that such reserve is in respect of amounts that may be payable to third parties Agent may, at its option (without duplication), deduct such reserve from the US Maximum Credit or the Canadian Maximum Credit in the event that the US Borrowing Base or Canadian Borrowing Base exceeds the applicable amount. Agent will provide notice to Administrative Borrower three (3) Business Days' prior to the establishment of any new categories of reserves after the date hereof or any change in the methodology for the calculation of an existing reserve after the date hereof, except that such notice shall not be required (i) at any time there is a Cash Dominion Event or, if in the good faith determination of Agent, it is necessary to act sooner to preserve or protect the Collateral or its value or the rights of Agent therein or to otherwise address any event, condition or circumstance that, in the good faith judgment of the Agent, is reasonably likely to cause a diminution in the value of the Collateral or to threaten the ability to realize upon any portion of the Collateral or (ii) if after giving effect to any such new category of reserves or change in methodology there would be an Overadvance. Upon receipt of such notice, Administrative Borrower may take such action as may be required so that the event, condition, or matter that is the basis for the reserve no longer exists. At any time that the event, condition or circumstance that is the basis for the reserve ceases to exist or is otherwise addressed to the satisfaction of Agent, then the applicable reserve will be terminated, including in the case of the 2015 Note Reserve Amount if Agent shall have received evidence, in form and substance reasonably satisfactory to it, that the 2015 Note Obligations are paid and satisfied in full in cash or that the 2015 Note Obligations are no longer entitled to the benefit of the Lien of Agent.

(f) Without limiting the generality of the foregoing, reserves may be established to reflect any of the following: (i) Inventory shrinkage, (ii) markdowns and cost variances (pursuant to discrepancies between the purchase order price of Inventory and the actual cost thereof), (iii) returns, discounts, claims, credits and allowances of any nature that are not paid pursuant to the reduction of Accounts, (iv) any rental payments, service charges or other amounts due or to become due to owners or lessors of Real Property to the extent Inventory or Records are located in or on such property or in the possession or control of such parties or such Records are needed to monitor or otherwise deal with the Collateral (other than for locations

where Agent has received a Collateral Access Agreement executed and delivered by the owner and lessor of such Real Property that Agent has acknowledged in writing is in form and substance satisfactory to Agent), provided, that, the reserves established pursuant to this clause (iv) as to leased locations shall not exceed at any time the aggregate of amounts payable for the next three (3) months to the lessors of such locations, except that such limitation on the amount of the reserves shall not apply at any time that an Event of Default shall exist or have occurred and be continuing, or at any time there is any event of default under the lease by Parent or any Subsidiary of Parent with respect to such location or a notice thereof has been sent or received by or on behalf of any Loan Party, (v) any rental payments, service charges or other amounts due or to become due to lessors of personal property, (vi) an increase in the number of days of the turnover of Inventory or a change in the mix of the Inventory that results in an overall decrease in the value thereof or a deterioration in its nature or quality (but only to the extent not addressed by the lending formulas in a manner satisfactory to Agent), (vii) variances between the perpetual Inventory records of Borrowers and the results of the test counts of Inventory conducted by Agent with respect thereto in excess of the percentage reasonably acceptable to Agent in its Permitted Discretion, (viii) dilution with respect to Accounts (based on the ratio of the aggregate amount of non-cash reductions in Accounts for any period to the aggregate dollar amount of the sales of such Borrower for such period) as calculated by Agent for any period is or is reasonably anticipated to be greater than five percent (5%), (ix) in the event that at any time the aggregate principal amount of all Revolving Loans (including Swing Loans, Protective Advances and Overadvances) plus the Letter of Credit Usage outstanding are more than ten percent (10%) less than the Existing Note Secured Debt Limit, amounts to permit additional Revolving Loans (including Swing Loans, Protective Advances and Overadvances) as may be requested or required so as to avoid exceeding the Existing Note Secured Debt Limit. Except as otherwise specifically provided in this clause (f), any change to the amount of any reserves described above shall be based on changes in the event, condition or circumstance that is basis for such reserves after the date hereof.

2.2. Borrowing Procedures and Settlements.

(a) **Requests for Revolving Borrowing.** To request a Revolving Loan or Swing Loan, the applicable Borrower (or Administrative Borrower on behalf of such Borrower) shall notify Agent of such request by telephone (a) in the case of a LIBOR Rate Loan or a BA Rate Loan, not later than 1:00 p.m., three (3) Business Days before the date of the proposed LIBOR Rate Loan or a BA Rate Loan or (b) in the case of a Base Rate Loan (including a Swing Loan), not later than 1:00 p.m. on the same Business Day as the date of the proposed Base Rate Loan to be made in US Dollars and not later than 1:00 p.m. on the Business Day before the date of the proposed Base Rate Loan to be made in Canadian Dollars. Each such telephonic request shall be irrevocable and to the extent required by Agent, shall be confirmed promptly by hand delivery or facsimile to Agent of a written request in a form approved by Agent and signed by or on behalf of Borrowers. Each such telephonic and written request shall specify the following information:

(i) the Borrower requesting such Revolving Loan or Swing Loan;

(ii) whether such Loan is a Revolving Loan or Swing Loan;

(iii) the aggregate amount of such Revolving Loan or Swing Loan;

(iv) the date of such Revolving Loan or Swing Loan, which shall be a Business Day;

(v) whether such Revolving Loan or Swing Loan is to be a Base Rate Loan, a BA Rate Loan or a LIBOR Rate Loan;

(vi) in the case of a LIBOR Rate Loan or a BA Rate Loan, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(vii) in the case of each Canadian Revolving Loan, whether such Canadian Revolving Loan is to be a US Dollar Denominated Loan or a Canadian Dollar Denominated Loan.

If no election as to whether a Revolving Loan is to be a BA Rate Loan or LIBOR Rate Loan is specified in the applicable request, then the requested Revolving Loan shall be a Base Rate Loan. If no Interest Period is specified with respect to any request for a LIBOR Rate Loan or a BA Rate Loan, then the applicable Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a request for a Revolving Loan in accordance with this Section, Agent shall advise each applicable Lender of the details thereof and of the amount of such Lender's Revolving Loan to be made as part of the request. All Loans and Letters of Credit under this Agreement shall be conclusively presumed to have been made to, and at the request of and for the benefit of, any Borrower or Guarantor when deposited to the credit of any Borrower or Guarantor or otherwise disbursed or established in accordance with the instructions of any Borrower or Guarantor or in accordance with the terms and conditions of this Agreement.

(b) **Making of Swing Loans**.

(i) **Making of US Swing Loans.** Subject to the terms and conditions contained herein, Swing Lender agrees that it will make a US Revolving Loan (any such US Revolving Loan made solely by Swing Lender pursuant to this Section 2.2 (b)(i) being referred to as a "US Swing Loan") to US Borrowers from time to time in amounts requested by any US Borrower (or Administrative Borrower on behalf of US Borrowers) up to the aggregate amount outstanding equal to the US Swing Loan Limit, provided, that, after giving effect to any such US Swing Loan, the aggregate principal amount of the US Revolving Loans, US Swing Loans and US Letter of Credit Usage outstanding at any time shall not exceed the lesser of the US Borrowing Base at such time or US Maximum Credit at such time. Each US Swing Loan shall be deemed to be a US Revolving Loan hereunder and shall be subject to all the terms and conditions (including Section 3) applicable to other US Revolving Loans, except that all payments on any Swing Loan shall be payable to Swing Lender solely for its own account. Subject to the provisions of Section 2.3(d)(ii), Swing Lender shall not make and shall not be obligated to make any US Swing Loan if Swing Lender has actual knowledge that (A) one or more of the applicable conditions precedent set forth in Section 3.1 or 3.2 will not be satisfied

on the requested Funding Date for the applicable Borrowing, or (B) the requested Borrowing would exceed the Availability on such Funding Date. Swing Lender shall not otherwise be required to determine whether the applicable conditions precedent set forth in Section 3.1 or 3.2 have been satisfied on the Funding Date applicable thereto prior to making any US Swing Loan. The US Swing Loans shall be secured by Agent's Liens, constitute US Revolving Loans and US Obligations hereunder, and bear interest at the rate applicable from time to time to Revolving Loans that are Base Rate Loans. Upon the making of a US Swing Loan, without further action by any party hereto, each US Lender shall be deemed to have irrevocably and unconditionally purchased and received from Swing Line Lender, without recourse or warranty, an undivided interest and participation to the extent of such Lender's Pro Rata Share in such US Swing Loan. To the extent that there is no Settlement in accordance with Section 2.3(c) hereof, the applicable Swing Line Lender may at any time, require the applicable US Lenders to fund their participations. From and after the date, if any, on which any US Lender has funded its participation in any US Swing Loan, Agent shall promptly distribute to such US Lender, not less than weekly, such Lender's Pro Rata Share of all payments of principal and interest received by Agent in respect of such US Swing Loan.

(ii) **Making of Canadian Swing Loans.** Subject to the terms and conditions contained herein, Swing Lender agrees that it will make a Canadian Revolving Loan (any such Canadian Revolving Loan made solely by Swing Lender pursuant to this Section 2.2(b)(ii) being referred to as a "Canadian Swing Loan") to Canadian Borrowers from time to time in amounts requested by any Canadian Borrower (or Administrative Borrower on behalf of Canadian Borrowers) up to the aggregate amount outstanding equal to the Canadian Swing Loan Limit, provided, that, after giving effect to any such Canadian Swing Loan, the aggregate principal amount of the Canadian Revolving Loans, Canadian Swing Loans and Canadian Letter of Credit Usage outstanding at any time shall not exceed the lesser of the Canadian Borrowing Base at such time or Canadian Maximum Credit at such time. Each Canadian Swing Loan shall be deemed to be a Canadian Revolving Loan hereunder and shall be subject to all the terms and conditions (including Section 3) applicable to other Canadian Revolving Loans, except that all payments on any Swing Loan shall be payable to Swing Lender solely for its own account. Subject to the provisions of Section 2.2(d)(ii), Swing Lender shall not make and shall not be obligated to make any Canadian Swing Loan if Swing Lender has actual knowledge that (A) one or more of the applicable conditions precedent set forth in Section 3.1 or 3.2 will not be satisfied on the requested Funding Date for the applicable Borrowing, or (B) the requested Borrowing would exceed the Availability on such Funding Date. Swing Lender shall not otherwise be required to determine whether the applicable conditions precedent set forth in Section 3.1 or 3.2 have been satisfied on the Funding Date applicable thereto prior to making any Canadian Swing Loan. The Canadian Swing Loans shall be secured by Agent's Liens, constitute Canadian Revolving Loans and Canadian Obligations hereunder, and bear interest at the rate applicable from time to time to Revolving Loans that are Base Rate Loans. Upon the making of a Canadian Swing Loan, without further action by any party hereto, each Canadian Lender shall be deemed to have irrevocably and unconditionally purchased and received from Swing Line Lender, without recourse or warranty, an undivided interest and participation to the extent of such Lender's Pro Rata Share in such Canadian Swing Loan. To the

extent that there is no Settlement in accordance with Section 2.2(c) hereof, the applicable Swing Line Lender may at any time, require the applicable Canadian Lenders to fund their participations. From and after the date, if any, on which any Canadian Lender has funded its participation in any Canadian Swing Loan, Agent shall promptly distribute to such Canadian Lender, not less than weekly, such Lender's Pro Rata Share of all payments of principal and interest received by Agent in respect of such Canadian Swing Loan.

(c) **Making of Revolving Loans**.

(i) Promptly after receipt of a request for a Borrowing of a Revolving Loan pursuant to Section 2.3(a), Agent shall notify the applicable Lenders by telecopy, telephone, or other similar form of transmission, of the requested Borrowing. Each applicable Lender shall make the amount of such Lender's Pro Rata Share of the requested Borrowing available to Agent in immediately available funds, to Agent's Account or Agent's Canadian Account, as applicable, not later than 2:00 p.m. on the Funding Date applicable thereto. After Agent's receipt of the proceeds of such Revolving Loans from the applicable Lenders, Agent shall make the proceeds thereof available to Borrowers on the applicable Funding Date by transferring immediately available funds equal to such proceeds received by Agent to the Designated Account; provided, that, subject to the provisions of Section 2.2(d)(ii), Agent shall not request any Lender to make any Revolving Loan if it has knowledge that, and no Lender shall have the obligation to make, any Revolving Loan if (A) one or more of the applicable conditions precedent set forth in Section 3.1 or 3.2 will not be satisfied on the requested Funding Date for the applicable Borrowing unless such condition has been waived, or (B) the requested Borrowing would exceed the Availability on such Funding Date.

(ii) Unless Agent receives notice from a Lender prior to 9:00 a.m. on the date of a Borrowing, that such Lender will not make available as and when required hereunder to Agent for the account of Borrowers the amount of that Lender's Pro Rata Share of the Borrowing, Agent may assume that each Lender has made or will make such amount available to Agent in immediately available funds on the Funding Date and Agent may (but shall not be so required), in reliance upon such assumption, make available to Borrowers on such date a corresponding amount. If any Lender shall not have made its full amount available to Agent in immediately available funds and if Agent in such circumstances has made available to Borrowers such amount, such Lender shall on the Business Day following such Funding Date make such amount available to Agent, together with interest at the Defaulting Lender Rate for each day during such period. A notice submitted by Agent to any Lender with respect to amounts owing under this Section 2.2(c)(ii) shall be conclusive, absent manifest error. If such amount is so made available, such payment to Agent shall constitute such Lender's Revolving Loan on the date of Borrowing for all purposes of this Agreement. If such amount is not made available to Agent on the Business Day following the Funding Date, Agent will notify Borrowers of such failure to fund and, upon demand by Agent, Borrowers shall pay such amount to Agent for Agent's account, together with interest thereon for each day elapsed since the date of such Borrowing, at a rate per annum equal to the interest rate applicable at the time to the Revolving Loans composing such Borrowing.

(d) **Protective Advances and Optional Overadvances**.

(i) Any contrary provision of this Agreement or any other Loan Document notwithstanding, but subject to Section 2.2(d)(iv), Agent hereby is authorized by Borrowers and the Lenders, from time to time in Agent's sole discretion, to make Revolving Loans to, or for the benefit of, Borrowers on behalf of the Lenders that Agent, in its Permitted Discretion deems necessary (A) to preserve or protect the Collateral, or any portion thereof, or (B) to enhance the likelihood of repayment of the Obligations (other than the Bank Product Obligations) (any of the Revolving Loans described in this Section 2.3(d)(i) shall be referred to as "Protective Advances"), at any time (1) after the occurrence and during the continuance of a Default or an Event of Default, or (2) that any of the other applicable conditions precedent set forth in Section 3.2 are not satisfied. So long as no Event of Default exists or has occurred and is continuing, Agent shall use reasonable efforts to notify Administrative Borrower of the existence of any Protective Advances on or about the date when made.

(ii) Any contrary provision of this Agreement or any other Loan Document notwithstanding, but subject to Section 2.2(d)(iv), the Lenders hereby authorize Agent or Swing Lender, as applicable, and either Agent or Swing Lender, as applicable, may, but is not obligated to, knowingly and intentionally, continue to make Revolving Loans (including Swing Loans) to Borrowers notwithstanding that an Overadvance exists or would be created thereby. In any event: (A) if any such Overadvance remains outstanding for more than thirty (30) days, unless otherwise agreed to by the Required Lenders, Borrowers shall immediately repay Revolving Loans (including Swing Loans, if applicable) in an amount sufficient to eliminate all such Overadvances, provided, that, in the event that the Overadvance arises as a result of the establishment of a new category of reserves or the change in the methodology of the calculation of an existing reserve, or as a result of the making of a Loan other than at the request of a Borrower (or Administrative Borrower on behalf of any Borrower), whether a Protective Advance or by charging the Loan Account, Borrowers shall not be required to repay such Overadvance until ten (10) days after notice thereof by Agent to Administrative Borrower and (B) after the date all such Overadvances have been eliminated, there must be at least five (5) consecutive days without the existence of any such Overadvances before intentional Overadvances are made. The foregoing provisions relating to making Overadvances are meant for the benefit of the Lenders and Agent and are not meant for the benefit of Borrowers, which shall continue to be bound by the provisions of Section 2.3. Each Lender with a US Commitment shall be obligated to settle with Agent (or Swing Lender, as applicable) as provided in Section 2.2(e) (or Section 2.13, as applicable) for the amount of such Lender's Pro Rata Share of any unintentional Overadvances by Agent (or Swing Lender) to US Borrowers reported to such Lender, any intentional Overadvances to US Borrowers made as permitted under this Section 2.2(d)(ii), and any Overadvances to US Borrowers resulting from the charging to the US Loan Account of interest, fees, or Lender Group Expenses to the extent permitted by Section 2.4(c). Each Lender with a Canadian Commitment shall be obligated to settle with Agent (or Swing Lender, as applicable) as provided in Section 2.2(e) (or Section 2.13, as applicable) for the amount of such Lender's Pro Rata Share of any unintentional Overadvances by Agent (or Swing Lender) to Canadian

Borrowers reported to such Lender, any intentional Overadvances to Canadian Borrowers made as permitted under this Section 2.2(d)(ii), and any Overadvances to Canadian Borrowers resulting from the charging to the Canadian Loan Account of interest, fees, or Lender Group Expenses to the extent permitted by Section 2.4(c). The Required Lenders may by written notice to Agent revoke the authority of Agent and Swing Lender to make future Overadvances pursuant to this Section 2.2(d) at any time. So long as no Event of Default exists or has occurred and is continuing, Agent shall use reasonable efforts to notify Administrative Borrower of the existence of any Overadvance on or about the date when made.

(iii) Any Protective Advance or Overadvance to Canadian Borrowers may be made by Agent or by the Canadian Lender which is an Affiliate of Agent. Each Protective Advance and each Overadvance shall be deemed to be a Revolving Loan hereunder, except that no Protective Advance or Overadvance shall be a LIBOR Rate Loan or BA Rate Loan and, prior to Settlement therefor, all payments on the Protective Advances shall be payable to Agent (or the Canadian Lender which made such Protective Advance) solely for its own account. The Protective Advances and Overadvances shall be repayable on demand, be secured by Agent's Liens, constitute Obligations hereunder, and bear interest at the rate applicable from time to time to Revolving Loans that are Base Rate Loans. The ability of Agent to make Protective Advances is separate and distinct from its ability to make Overadvances and its ability to make Overadvances is separate and distinct from its ability to make Protective Advances. For the avoidance of doubt, the limitations on Agent's ability to make Protective Advances do not apply to Overadvances and the limitations on Agent's ability to make Overadvances do not apply to Protective Advances. The provisions of this Section 2.2(d) relating to making Protective Advances and Overadvances are for the exclusive benefit of Agent, Swing Lender, and the Lenders and are not intended to benefit Borrowers in any way.

(iv) Notwithstanding anything contained in this Agreement or any other Loan Document to the contrary, no Overadvance or Protective Advance may be made by Agent if such Revolving Loan would cause (A) the aggregate principal amount of Overadvances and Protective Advances outstanding to exceed an amount equal to ten percent (10%) of the Maximum Credit; (B) the US Revolver Usage (excluding amounts charged to the US Loan Account for interest, fees or Lender Group Expenses) to exceed the US Maximum Credit or (C) the Canadian Revolver Usage (excluding amounts charged to the US Loan Account for interest, fees or Lender Group Expenses) to exceed the Canadian Maximum Credit.

(e) **Settlement**. It is agreed that each US Lender's funded portion of the US Revolving Loans is intended by the Lenders to equal, at all times, such Lender's Pro Rata Share of the outstanding US Revolving Loans. It is agreed that each Canadian Lender's funded portion of the Canadian Revolving Loans is intended by the Lenders to equal, at all times, such Lender's Pro Rata Share of the outstanding Canadian Revolving Loans. Such agreement notwithstanding, Agent, Swing Lender, and the other Lenders agree (which agreement shall not be for the benefit of Borrowers) that in order to facilitate the administration of this Agreement and the other Loan Documents, settlement among the Lenders as to the Revolving Loans (including Swing Loans, Overadvances and Protective Advances) shall take place on a periodic basis in accordance with the following provisions:

(i) Agent shall request settlement ("Settlement") with the Lenders on a weekly basis, or on a more frequent basis if so determined by Agent (1) on behalf of Swing Lender, with respect to the outstanding Swing Loans, (2) for itself, with respect to the outstanding Protective Advances or Overadvances, and (3) with respect to the Loan Parties' Collections or payments received, as to each by notifying the Lenders by telecopy, telephone, or other similar form of transmission, of such requested Settlement, no later than 2:00 p.m. on the Business Day immediately prior to the date of such requested Settlement (the date of such requested Settlement being the "Settlement Date"). Such notice of a Settlement Date shall include a summary statement of the amount of outstanding Revolving Loans (including Swing Loans, Overadvances and Protective Advances) for the period since the prior Settlement Date. Subject to the terms and conditions contained herein (including Section 13): (A) if the amount of the Revolving Loans (including Swing Loans, Overadvances and Protective Advances) made by a Lender that is not a Defaulting Lender exceeds such Lender's Pro Rata Share of the Revolving Loans (including Swing Loans, Overadvances and Protective Advances) as of a Settlement Date, then Agent shall, by no later than 12:00 p.m. on the Settlement Date, transfer in immediately available funds to a Deposit Account of such Lender (as such Lender may designate), an amount such that each such Lender shall, upon receipt of such amount, have as of the Settlement Date, its Pro Rata Share of the Revolving Loans (including Swing Loans, Overadvances and Protective Advances), and (B) if the amount of the Revolving Loans (including Swing Loans, Overadvances and Protective Advances) made by a Lender is less than such Lender's Pro Rata Share of the Revolving Loans (including Swing Loans and Protective Advances) as of a Settlement Date, such Lender shall no later than 12:00 p.m. on the Settlement Date transfer in immediately available funds to Agent's Account or Agent's Canadian Account, as applicable, an amount such that each such Lender shall, upon transfer of such amount, have as of the Settlement Date, its Pro Rata Share of the Revolving Loans (including Swing Loans, Overadvances and Protective Advances). Such amounts made available to Agent under clause (B) of the immediately preceding sentence shall be applied against the amounts of the applicable Swing Loans, Overadvances or Protective Advances and, together with the portion of such Swing Loans, Overadvances or Protective Advances representing Swing Lender's Pro Rata Share thereof, shall constitute Revolving Loans of such Lenders. If any such amount is not made available to Agent by any Lender on the Settlement Date applicable thereto to the extent required by the terms hereof, Agent shall be entitled to recover for its account such amount on demand from such Lender together with interest thereon at the Defaulting Lender Rate.

(ii) In determining whether a Lender's balance of the Revolving Loans, Swing Loans, and Protective Advances is less than, equal to, or greater than such Lender's Pro Rata Share of the Revolving Loans, Swing Loans, and Protective Advances as of a Settlement Date, Agent shall, as part of the relevant Settlement, apply to such balance the portion of payments actually received in good funds by Agent with respect to principal, interest, fees payable by Borrowers and allocable to the Lenders hereunder, and proceeds of Collateral.

(iii) Between Settlement Dates, Agent, to the extent Protective Advances or Swing Loans are outstanding, may pay over to Agent or Swing Lender or the Canadian Lender that is an Affiliate of Agent, as applicable, any Collections or payments received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the Revolving Loans, for application to the Protective Advances, Overadvances or Swing Loans. Between Settlement Dates, Agent, to the extent no Protective Advances, Overadvances or Swing Loans are outstanding, may pay over to Swing Lender any Collections or payments received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the Revolving Loans, for application to Swing Lender's Pro Rata Share of the Revolving Loans. If, as of any Settlement Date, Collections or payments of Loan Parties received since the then immediately preceding Settlement Date have been applied to Swing Lender's Pro Rata Share of the Revolving Loans other than to Swing Loans, as provided for in the previous sentence, Swing Lender shall pay to Agent for the accounts of the Lenders, and Agent shall pay to the Lenders (other than a Defaulting Lender if Agent has implemented the provisions of Section 13), to be applied to the outstanding Revolving Loans of such Lenders, an amount such that each such Lender shall, upon receipt of such amount, have, as of such Settlement Date, its Pro Rata Share of the Revolving Loans. During the period between Settlement Dates, Swing Lender with respect to Swing Loans, Agent with respect to Protective Advances and Overadvances, and each Lender with respect to the Revolving Loans other than Swing Loans, Overadvances and Protective Advances, shall be entitled to interest at the applicable rate or rates payable under this Agreement on the daily amount of funds employed by Swing Lender, Agent, or the Lenders, as applicable.

(iv) Anything in this Section 2.2(e) to the contrary notwithstanding, in the event that a Lender is a Defaulting Lender, Agent shall be entitled to refrain from remitting settlement amounts to the Defaulting Lender and, instead, shall be entitled to elect to act in accordance with Section 2.13.

(f) **Notation.** Agent, as a non-fiduciary agent for Borrowers, shall maintain a register showing the principal amount of the Revolving Loans, owing to each Lender, including the Swing Loans owing to Swing Lender, and Protective Advances owing to Agent, and the interests therein of each Lender, from time to time and such register shall, absent manifest error, conclusively be presumed to be correct and accurate.

(g) **Independent Obligations.** All Revolving Loans (other than Swing Loans, Overadvances and Protective Advances) shall be made by the Lenders contemporaneously and in accordance with their Pro Rata Shares. It is understood that (i) no Lender shall be responsible for any failure by any other Lender to perform its obligation to make any Revolving Loan (or other extension of credit) hereunder, nor shall any Commitment of any Lender be increased or decreased as a result of any failure by any other Lender to perform its obligations hereunder, and (ii) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

2.3. Payments; Reductions of Commitments; Prepayments.

(a) **Payments by Borrowers**.

(i) Except as otherwise expressly provided herein, all payments by any Borrower shall be made to Agent's Account or Agent's Canadian Account, as applicable, for the account of the Lender Group and shall be made in immediately available funds, no later than 1:00 p.m. on the date specified herein. Any payment received by Agent later than 1:00 p.m. shall be deemed to have been received on the following Business Day and any applicable interest or fee shall continue to accrue until (but not including) such following Business Day.

(ii) Unless Agent receives notice from Administrative Borrower prior to the date on which any payment is due to the Lenders that Borrowers will not make such payment in full as and when required, Agent may assume that Borrowers have made (or will make) such payment in full to Agent on such date in immediately available funds and Agent may (but shall not be so required), in reliance upon such assumption, distribute to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent Borrowers do not make such payment in full to Agent on the date when due, each Lender severally shall repay to Agent on demand such amount distributed to such Lender, together with interest thereon at the Defaulting Lender Rate for each day from the date such amount is distributed to such Lender until the date repaid.

(iii) All payments in respect of the Canadian Obligations of Canadian Loan Parties shall be applied first to Canadian Obligations denominated in the same currency as the payments received and second to the Canadian Obligations denominated in the other currency; provided, that, Agent may, at its option (but is not obligated to), convert such currency received to the currency in which the Canadian Obligations are denominated at the Exchange Rate calculated by Agent in good faith on such date and Borrowers shall pay the costs of such conversion (or Agent may, at its option, charge such costs to the loan account of any Borrower maintained by such Agent).

(b) **Apportionment and Application**.

(i) So long as no Application Event has occurred and is continuing and except as otherwise provided herein, all principal and interest payments received by Agent shall be apportioned ratably among the Lenders (according to the unpaid principal balance of the Obligations to which such payments relate held by each Lender) entitled to such payments and all payments of fees and expenses received by Agent (other than fees or expenses that are for Agent's separate account or for the separate account of the Issuing Lender) shall be apportioned ratably among the Lenders having a Pro Rata Share of the type of Commitment or Obligation to which a particular fee or expense relates. All payments to be made hereunder by Borrowers shall be remitted to Agent and all such payments, and all proceeds of Collateral received by Agent, shall be applied, so long as no Application Event has occurred and is continuing, to reduce the balance of the Revolving Loans outstanding and, thereafter, to Borrowers (to be wired to the Designated Account) or such other Person entitled thereto under applicable law (subject to Section 2.3(b)(v) and Section 2.3(e)).

(ii) At any time that an Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, subject to the 2015 Note Intercreditor Agreement and the Series G Guarantee Lien Acknowledgement, all payments remitted to Agent in respect of the US Obligations and all proceeds of US Collateral received by Agent shall be applied as follows:

(A) first, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agent under the Loan Documents, until paid in full,

(B) second, to pay any fees then due to Agent (in its capacity as Agent and not as Lender) under the Loan Documents until paid in full,

(C) third, to pay interest due in respect of all Protective Advances made for the account of US Loan Parties until paid in full,

(D) fourth, to pay principal due in respect of all Protective Advances made for the account of US Borrowers until paid in full,

(E) fifth, ratably, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any of the US Lenders under the Loan Documents, until paid in full,

(F) sixth, ratably, to pay any fees then due to any of the US Lenders under the Loan Documents until paid in full,

(G) seventh, to pay interest accrued in respect of the US Swing Loans until paid in full,

(H) eighth, to pay the principal of all US Swing Loans until paid in full,

(I) ninth, ratably, to pay interest accrued in respect of the US Revolving Loans (other than Protective Advances) until paid in full,

(J) tenth, ratably (1) to Agent, for the account of Agent and Lenders, to pay the principal of all US Revolving Loans until paid in full, and (2) to Agent, to be held by Agent, for the benefit of Issuing Lender (and for the ratable benefit of each of the US Lenders that have an obligation to pay to Agent, for the account of the Issuing Lender, a share of each US Letter of Credit Disbursement), as cash collateral in an amount up to one hundred three percent (103%) of the US Letter of Credit Usage (to the extent permitted by applicable law, such cash collateral shall be applied to the reimbursement of any US Letter of Credit Disbursement as and when such disbursement occurs and, if a US Letter of Credit expires undrawn, the cash collateral held by Agent in respect of such US Letter of Credit shall, during the continuation of an Application Event, to the extent permitted by applicable law, be reapplied pursuant to this Section 2.3(b)(ii), beginning with clause (A) hereof),

(K) eleventh, to pay any other US Obligations other than Bank Product Obligations,

(L) twelfth, to pay Canadian Obligations in the order and priority set forth in clause (iii) below,

(M) thirteenth, to pay any other US Obligations (including being paid, ratably, to the Bank Product Providers on account of all amounts then due and payable in respect of Bank Product Obligations, with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Bank Product Provider and applied by such Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to Bank Product Obligations owed to the applicable Bank Product Provider as and when such amounts first become due and payable and, if and at such time as all such Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Bank Product Obligations shall be reapplied pursuant to this Section 2.3(b)(ii), beginning with clause (A) hereof), and

(N) fourteenth, to US Borrowers (to be wired to the Designated Account) or such other Person entitled thereto under applicable law.

(iii) At any time that an Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, subject to the 2015 Note Intercreditor Agreement and the Series G Guarantee Lien Acknowledgement, all payments remitted to Agent in respect of the Canadian Obligations and all proceeds of Canadian Collateral received by Agent shall be applied as follows:

(A) first, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agent under the Loan Documents, until paid in full,

(B) second, to pay any fees then due to Agent under the Loan Documents until paid in full,

(C) third, to pay interest due in respect of all Protective Advances made for the account of Canadian Borrowers until paid in full,

(D) fourth, to pay the principal of all Protective Advances made for the account of Canadian Borrowers until paid in full,

(E) fifth, ratably, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any of the Canadian Lenders under the Loan Documents, until paid in full,

(F) sixth, ratably, to pay any fees then due to any of the Canadian Lenders under the Loan Documents until paid in full,

(G) seventh, to pay interest accrued in respect of the Canadian Swing Loans until paid in full,

(H) eighth, to pay the principal of all Canadian Swing Loans until paid in full,

(I) ninth, ratably, to pay interest accrued in respect of the Canadian Revolving Loans (other than Protective Advances) until paid in full,

(J) tenth, ratably (i) to Agent, for the account of Agent and Canadian Lenders, to pay the principal of all Canadian Revolving Loans until paid in full, and (ii) to Agent, to be held by Agent, for the benefit of Issuing Lender (and for the ratable benefit of each of the Canadian Lenders that have an obligation to pay to Agent, for the account of the Issuing Lender, a share of each Canadian Letter of Credit Disbursement), as cash collateral in an amount up to one hundred three percent (103%) of the Canadian Letter of Credit Usage (to the extent permitted by applicable law, such cash collateral shall be applied to the reimbursement of any Canadian Letter of Credit Disbursement as and when such disbursement occurs and, if a Canadian Letter of Credit expires undrawn, the cash collateral held by Agent in respect of such Canadian Letter of Credit shall, during the continuation of an Application Event, to the extent permitted by applicable law, be reapplied pursuant to this Section 2.4(b)(iii), beginning with clause (A) hereof),

(K) eleventh, to pay any other Canadian Obligations other than Bank Product Obligations,

(L) twelfth, to pay any other Canadian Obligations (including being paid, ratably, to the Bank Product Providers on account of all amounts then due and payable in respect of Bank Product Obligations, with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Bank Product Provider and applied by such Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to Bank Product Obligations owed to the applicable Bank Product Provider as and when such amounts first become due and payable and, if and at such time as all such Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Bank Product Obligations shall be reapplied pursuant to this Section 2.3(b)(iii), beginning with clause (A) hereof), and

(M) thirteenth, to Canadian Borrowers (to be wired to the Designated Account) or such other Person entitled thereto under applicable law.

(iv) Agent promptly shall distribute to each Lender, pursuant to the applicable wire instructions received from each Lender in writing, such funds as it may be entitled to receive, subject to a Settlement delay as provided in Section 2.2(e).

(v) In each instance, so long as no Application Event has occurred and is continuing, Section 2.3(b)(i) shall not apply to any payment made by any Borrower to Agent and specified by such Borrower to be for the payment of specific Obligations then due and payable (or prepayable) under any provision of this Agreement or any other Loan Document.

(vi) For purposes of Section 2.3(b)(ii) or (iii), "paid in full" of a type of Obligation means payment in cash or immediately available funds of all amounts owing on account of such type of Obligation, including interest accrued after the commencement of any Insolvency Proceeding, default interest, interest on interest, and expense reimbursements, whether or not any of the foregoing would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(vii) In the event of a direct conflict between the priority provisions of this Section 2.3 and any other provision contained in this Agreement or any other Loan Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, if the conflict relates to the provisions of Section 2.13 and this Section 2.3, then the provisions of Section 2.13 shall control and govern, and if otherwise, then the terms and provisions of this Section 2.3 shall control and govern.

(viii) Notwithstanding anything to the contrary contained in this Agreement or the other Loan Documents to the contrary, (i) Canadian Loan Parties shall not be liable for any US Obligations, (ii) no Liens granted by Canadian Loan Parties under any of the Loan Documents shall secure any US Obligations, (iii) no amounts payable on account of the Canadian Obligations shall be payable to Agent's Account, and (iv) no US Obligations shall be charged to the Canadian Loan Account.

(c) **Reduction of Commitments.**

(i) The US Commitments and the Canadian Commitments shall terminate on the Maturity Date. US Borrowers may reduce the US Commitments to an amount not less than the sum of (A) the US Revolver Usage as of such date, plus (B) the principal amount of all US Revolving Loans not yet made as to which a request has been given by Borrowers under
Section 2.2(a), plus (C) the amount of all US Letters of Credit not yet issued as to which a request has been given by Borrowers pursuant to Section 2.9(a).

(ii) Canadian Borrowers may reduce the Canadian Commitments to an amount not less than the sum of (A) the Canadian Revolver Usage as of such date, plus (B) the principal amount of all Canadian Revolving Loans not yet made as to which a request has been given by Borrowers under Section 2.2(a), plus (C) the amount of all Canadian Letters of Credit not yet issued as to which a request has been given by Borrowers pursuant to Section 2.9(a).

(iii) Each such reduction shall be in an amount which is not less than $10,000,000, unless the Commitments are being reduced to zero and the amount of the Commitments in effect immediately prior to such reduction are less than $10,000,000, shall be made by providing not less than ten (10) Business Days prior written notice to Agent, which notice shall specify whether such reduction is in respect of the US Commitments or the Canadian Commitments and shall be irrevocable. Once reduced, the Commitments may not be increased. Each such reduction of the Commitments shall reduce the Commitments of each Lender proportionately in accordance with its ratable share thereof.

(d) **Optional Prepayments.** Borrowers may prepay the principal of any Revolving Loan at any time in whole or in part, without premium or penalty (other than breakage and related costs associated with LIBOR Rate Loans and BA Funding Losses).

(e) **Mandatory Prepayments.**

(i) **Borrowing Base**. If, at any time, the US Revolver Usage on such date exceeds the lesser of the US Borrowing Base or the US Maximum Credit, or the Canadian Revolver Usage on such date exceeds the lesser of the Canadian Borrowing Base or the Canadian Maximum Credit (any such excess being referred to as the "Overadvance"), then Borrowers shall promptly, but in any event, within one (1) Business Day, prepay the Obligations in accordance with Section 2.3(f) in an aggregate amount equal to any such excess, as applicable, except as otherwise provided in Section 2.2(d). Notwithstanding anything to the contrary set forth in this Agreement or any of the other Loan Documents, Administrative Borrower and the other Borrowers shall not request, and Agent and Lenders shall not be required to make or provide, Revolving Loans or Letters of Credit, at any time that there exists an Overadvance (but without limiting the obligations of Lenders to have participations or to settle in respect of Overadvances or Protective Advances permitted hereunder).

(ii) **Indebtedness.** At any time during a Cash Dominion Event, within one (1) Business Day of the date of incurrence by any Loan Party of any Indebtedness (other than Permitted Indebtedness), Borrowers shall prepay the outstanding principal amount of the Obligations in an amount equal to one hundred percent (100%) of the Net Cash Proceeds received by such Person in connection with such incurrence. The provisions of this Section 2.3(e)(ii) shall not be deemed to constitute consent to any such incurrence otherwise prohibited by the terms and conditions of this Agreement.

(iii) **Equity**. At any time during a Cash Dominion Event, within one (1) Business Day of the date of the issuance by any Loan Party of any of its Equity Interests, Borrowers shall prepay the outstanding principal amount of the Obligations in an amount equal to one hundred percent (100%) of the Net Cash Proceeds received by such Person in connection with such issuance, other than (A) in the event that any Loan Party forms any Subsidiary in accordance with the terms hereof, the issuance by such Subsidiary of Equity Interests to such Loan Party, (B) the issuance of Equity Interests of Parent to directors, officers and employees of Parent pursuant to employee stock option plans (or other employee incentive plans or other compensation arrangements) approved by the Board of Directors, and (C) the issuance of Equity Interests of Parent in order to finance the purchase consideration (or a portion thereof) in connection with a Permitted Acquisition, the Spartech Acquisition or a Permitted Investment). The provisions of this Section 2.3(e)(iii) shall not be deemed to constitute consent to any such issuance otherwise prohibited by the terms and conditions of this Agreement.

(iv) **Cash Dominion Event**. Upon the occurrence and during the continuance of a Cash Dominion Event, Borrowers will apply the proceeds of Collateral to the Obligations as set forth in Section 2.3(b)(i), or, if applicable, Section 2.3(b)(ii) or Section 2.3(b)(iii).

(v) **Generally**. The mandatory prepayments required under Section 2.3(e) shall not result in a permanent reduction in the Commitments.

2.4. Interest Rates: Rates, Payments, and Calculations.

(a) **Interest Rates**. Except as provided in Section 2.4(b), all Obligations (except for undrawn Letters of Credit) that have been charged to the Loan Account pursuant to the terms hereof shall bear interest on the Daily Balance thereof as follows:

(i) if the relevant Obligation is a LIBOR Rate Loan, at a per annum rate equal to the LIBOR Rate plus the Applicable Margin for LIBOR Rate Loans,

(ii) if the relevant Obligation is a BA Rate Loan, at a rate per annum equal to the BA Rate plus the Applicable Margin for BA Rate Loans,

(iii) if the relevant Obligation is a Base Rate Loan, at a rate per annum equal to the Base Rate plus the Applicable Margin for the Base Rate Loans, and

(iv) otherwise, at a per annum rate equal to the Base Rate plus the Applicable Margin for Base Rate Loans.

(b) **Default Rate**. Upon the occurrence and during the continuation of an Event of Default and at the election of the Required Lenders,

(i) all Obligations (except for undrawn Letters of Credit) that have been charged to the Loan Account pursuant to the terms hereof shall, upon two (2) Business Days' prior written notice by Agent to Administrative Borrower, bear interest on the Daily Balance thereof at a per annum rate equal to two (2) percentage points above the per annum rate otherwise applicable thereunder, and

(ii) the Letter of Credit fee provided for in Section 2.8(b) shall, upon two (2) Business Days' prior written notice by Agent to Administrative Borrower, be increased to two (2) percentage points above the per annum rate otherwise applicable hereunder.

(c) **Payment**. All other interest, and all Letter of Credit fees, all other fees payable hereunder or under any of the other Loan Documents, all costs and expenses payable hereunder or under any of the other Loan Documents shall be due and payable, in arrears, on the first day of each month at any time that Obligations or Commitments are outstanding, except as otherwise provided herein. Each Borrower hereby authorizes Agent to (i) without prior notice, charge to the Loan Account all interest and recurring fees when due and payable hereunder or under any of the other Loan Documents or (ii) charge to the Loan Account costs, expenses and other amounts when due and payable, upon two (2) Business Days' prior notice to Administrative Borrower, provided, that such notice shall not be required at any time during a Cash Dominion Event. All such items properly charged to (i) the US Loan Account shall thereupon constitute US Revolving Loans hereunder and shall initially accrue interest at the rate then applicable to US Revolving Loans that are Base Rate Loans (unless and until converted into LIBOR Rate Loans in accordance with the terms of this Agreement) or (ii) the Canadian Loan Account shall thereupon constitute Canadian Revolving Loans hereunder and shall initially accrue interest at the rate applicable to Canadian Revolving Loans that are Base Rate Loans (unless and until converted into BA Rate Loans in accordance with the terms of this Agreement).

(d) **Computation**. Interest shall be calculated on the basis of (i) in the case of LIBOR Rate Loans, a three hundred sixty (360) day year, (ii) in the case of BA Rate Loans, a three hundred and sixty-five (365) day year, and (iii) in the case of Base Rate Loans, a three hundred and sixty-five (365) or three hundred and sixty-six (366) day year, as applicable, and in each case based on actual days elapsed. The interest rate on non-contingent Obligations (other than LIBOR Rate Loans and BA Rate Loans) shall increase or decrease by an amount equal to each increase or decrease in the Base Rate effective on the date any change in such Base Rate is effective. For purposes of disclosure under the Interest Act (Canada), where interest is calculated pursuant hereto at a rate based upon a year of three hundred sixty (360), three hundred and sixty-five (365) or three hundred and sixty-six (366) days, as the case may be (the "First Rate"), the rate or percentage of interest on a yearly basis is equivalent to such First Rate multiplied by the actual number of days in the year divided by three hundred sixty (360), three hundred and sixty-five (365) or three hundred and sixty-six (366), as the case may be.

(e) **Intent to Limit Charges to Maximum Lawful Rate**. In no event shall the interest rate or rates payable under this Agreement, plus any other amounts paid in connection herewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Each Borrower and the Lender Group, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; provided, that, anything contained herein to the contrary notwithstanding, if such rate or rates of interest or manner of payment exceeds the maximum allowable under applicable law, then, ipso facto, as of the date of this Agreement, Borrowers are and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from Borrowers in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the Obligations to the extent of such excess.

2.5. Crediting Payments. The receipt of any payment item by Agent shall not be considered a payment on account unless such payment item is a wire transfer of immediately available federal funds made to Agent's Account or Agent's Canadian Account, as applicable, or unless and until such payment item is honored when presented for payment. Should any payment item not be honored when presented for payment, then Borrowers shall be deemed not to have made such payment and interest shall be calculated accordingly. Anything to the contrary contained herein notwithstanding, any payment item shall be deemed received by Agent only if it is received into Agent's Account on a Business Day on or before 1:00 p.m. If any payment item is received into Agent's Account or Agent's Canadian Account, as applicable, on a non-Business Day or after 1:00 p.m. on a Business Day, it shall be deemed to have been received by Agent as of the opening of business on the immediately following Business Day.

2.6. Designated Account. Agent is authorized to make the Revolving Loans, and Issuing Lender is authorized to issue the Letters of Credit, under this Agreement based upon telephonic or other instructions received from anyone purporting to be an Authorized Person and reasonably believed by Agent to be an Authorized Person or, without instructions, if pursuant to
Section 2.4(c). Borrowers agree to establish and maintain the Designated Account with the Designated Account Bank for the purpose of receiving the proceeds of the Revolving Loans requested by Borrowers and made by Agent or the Lenders hereunder. Unless otherwise agreed by Agent and Borrowers, any Revolving Loan or Swing Loan requested by Borrowers and made by Agent or the Lenders hereunder shall be made to the Designated Account.

2.7. Maintenance of Loan Account; Statements of Obligations. Agent shall maintain an account on its books in the name of US Borrowers (the "US Loan Account") on which US Borrowers will be charged with all US Revolving Loans (including Protective Advances, Overadvances and Swing Loans) made by Agent, Swing Lender, or the Lenders to US Borrowers or for US Borrowers' account, the US Letters of Credit issued or arranged by Issuing Lender for US Borrowers' account, and with all other payment Obligations hereunder or under the other Loan Documents due and owing by US Loan Parties, including, accrued interest, fees and expenses, and Lender Group Expenses. Agent shall maintain an account on its books in the name of Canadian Borrowers (the "Canadian Loan Account") on which Canadian Borrowers will be charged with all Canadian Revolving Loans (including Protective Advances and Overadvances) made by Agent or the Lenders to Canadian Borrowers or for Canadian Borrowers' account, the Canadian Letters of Credit issued or arranged by Issuing Lender for Canadian Borrowers' account, and with all other payment Obligations hereunder or under the other Loan Documents due and owing by Canadian Loan Parties, including, accrued interest, fees and expenses, and Lender Group Expenses. In accordance with Section 2.5, the US

Loan Account will be credited with all payments received by Agent from US Borrowers or for any US Borrower's account, and the Canadian Loan Account shall be credited with all payments received by Agent from Canadian Borrowers or for any Canadian Borrower's account. Agent shall render monthly statements regarding the Loan Account to Borrowers, including principal, interest, fees, Overadvances and Protective Advances and including an itemization of all charges and expenses constituting Lender Group Expenses owing, and such statements, absent manifest error, shall be conclusively presumed to be correct and accurate and constitute an account stated between Borrowers and the Lender Group unless, within thirty (30) days after receipt thereof by Borrowers, Borrowers shall deliver to Agent written objection thereto describing the error or errors contained in any such statements.

2.8. Fees.

(a) **Agent Fees**. Borrowers shall pay to Agent the fees set forth in the Fee Letter as and when due and payable under the terms thereof.

(b) **Letter of Credit Fee**. Borrowers shall pay Agent (for the ratable benefit of the Lenders) a Letter of Credit fee (in addition to the charges, commissions, fees, and costs set forth in Section 2.9(h)) which shall accrue at a per annum rate equal to the Applicable Margin for LIBOR Rate Loans times the Daily Balance of the undrawn amount of all outstanding Letters of Credit.

(c) **Unused Line Fee**. US Borrowers shall pay to Agent, for the account of Lenders, a monthly unused line fee payable in arrears on the first day of each month and on the Payoff Date, in an amount equal to three eighths of one percent (0.375%) per annum multiplied by (A) the aggregate amount of the Maximum Credit minus (B) the average Daily Balance of the US Revolver Usage (other than Swing Loans) plus the Canadian Revolver Usage during the immediately preceding calendar month (or portion thereof), which rate shall be adjusted effective April 1, 2013 and thereafter as of the first day of every three (3) month period to an amount equal to (1) three eighths of one percent (0.375%) per annum if the average Daily Balance of the US Revolver Usage plus the Canadian Revolver Usage in any month during the immediately preceding three (3) month period was less than fifty percent (50%) of the Maximum Credit and (2) one-quarter of one percent (0.25%) per annum if the average Daily Balance of the US Revolver Usage plus the Canadian Revolver Usage in any month during the immediately preceding three (3) month period was equal to or greater than fifty percent (50%) of the Maximum Credit.

2.9. Letters of Credit.

(a) Subject to the terms and conditions of this Agreement, upon the request of Administrative Borrower made in accordance herewith, the Issuing Lender agrees to issue, or to cause an Underlying Issuer (including, as Issuing Lender's agent) to issue, a requested Letter of Credit for the account of any Borrower, which Letter of Credit may be related to the business of any Subsidiary of Parent; provided, that, to the extent a Letter of Credit is for the benefit of, or in connection with, the business of a Non-Loan Party (other than in the case of a Letter of Credit for the benefit of the business of Parent and its Subsidiaries generally), as of the date of the issuance of such Letter of Credit and after giving effect thereto, (i) the Borrower for whose

account the Letter of Credit is issued would be permitted to make a Permitted Investment in such Non-Loan Party under clause (d)(ii)(D) of the definition of Permitted Investments, such that all of the conditions set forth in clause (d)((ii)(D) of the definition of Permitted Investments shall be satisfied as to any such Letter of Credit, treating such Letter of Credit as a Permitted Investment for this purpose (except for the conditions in clauses (2) and (4) of such clause (d)(ii)(D)), and (ii) the sum of (A) the aggregate amount of all such Letters of Credit, plus (B) the maximum amount of the liability of Parent and the Restricted Subsidiaries under all guarantees of leases of Non-Loan Parties under clause (j) of the definition of Permitted Investments, shall not exceed $50,000,000 outstanding at any one time. If Issuing Lender, at its option, elects to cause an Underlying Issuer to issue a requested Letter of Credit, then Issuing Lender agrees that it will enter into arrangements relative to the reimbursement of such Underlying Issuer (which may include, among, other means, by becoming an applicant with respect to such Letter of Credit or entering into undertakings which provide for reimbursements of such Underlying Issuer with respect to such Letter of Credit; each such obligation or undertaking, irrespective of whether in writing, a "Reimbursement Undertaking") with respect to Letters of Credit issued by such Underlying Issuer. By submitting a request to Issuing Lender for the issuance of a Letter of Credit, Borrowers shall be deemed to have requested that Issuing Lender issue or that an Underlying Issuer issue the requested Letter of Credit and to have requested Issuing Lender to issue a Reimbursement Undertaking with respect to such requested Letter of Credit if it is to be issued by an Underlying Issuer (it being expressly acknowledged and agreed by each Borrower that Borrowers are and shall be deemed to be applicants (within the meaning of Section 5-102(a)(2) of the Code) with respect to each Underlying Letter of Credit). Each request for the issuance of a Letter of Credit, or the amendment, renewal, or extension of any outstanding Letter of Credit, shall be made in writing by an Authorized Person and delivered to the Issuing Lender via hand delivery, telefacsimile, or other electronic method of transmission reasonably in advance of the requested date of issuance, amendment, renewal, or extension. Each such request shall be in form and substance reasonably satisfactory to the Issuing Lender and shall specify (i) the amount of such Letter of Credit and whether such Letter of Credit shall be a US Letter of Credit or a Canadian Letter of Credit, (ii) in the case of a Canadian Letter of Credit, whether such Canadian Letter of Credit shall be denominated in US Dollars or Canadian Dollars, (iii) the date of issuance, amendment, renewal, or extension of such Letter of Credit, (iv) the proposed expiration date of such Letter of Credit, (v) the name and address of the beneficiary of the Letter of Credit, and (vi) such other information (including, the conditions of drawing, and in the case of an amendment, renewal, or extension, identification of the Letter of Credit to be so amended, renewed, or extended) as shall be necessary to prepare, amend, renew, or extend such Letter of Credit. Each US Letter of Credit shall be denominated in US Dollars. Anything contained herein to the contrary notwithstanding, the Issuing Lender shall not be required to issue or cause the issuance of a Letter of Credit or to issue a Reimbursement Undertaking in respect of an Underlying Letter of Credit, in either case, that supports the obligations of a Loan Party in respect of a lease of Real Property or an employment contract, (a) in the case of a Letter of Credit in connection with such a lease, in an amount greater than the amount equal to (A) the amount of rent under such lease, without acceleration, for the greater of (1) one year or (2) the amount equal to fifteen percent (15%) of the rent for the then remaining term of such lease, but not to exceed three (3) years, minus (B) the amount of any cash or other collateral to secure the obligations of a Loan Party in respect of such lease and (b) in the case of a Letter of Credit in connection with an employment contract, in an amount greater than the compensation provided by such contract, without acceleration, for a one year period.

(b) The Issuing Lender shall have no obligation to issue a Letter of Credit or a Reimbursement Undertaking in respect of an Underlying Letter of Credit, in either case, if any of the following would result after giving effect to the requested issuance:

(i) the US Letter of Credit Usage would exceed the US Borrowing Base less the outstanding amount of US Revolving Loans (including Swing Loans),

(ii) the US Letter of Credit Usage would exceed $50,000,000 minus the amount of Canadian Letter of Credit Usage at such time,

(iii) the US Letter of Credit Usage would exceed the US Maximum Credit less the outstanding amount of US Revolving Loans (including Swing Loans),

(iv) the Canadian Letter of Credit Usage would exceed the Canadian Borrowing Base less the outstanding amount of Canadian Revolving Loans,

(v) the Canadian Letter of Credit Usage would exceed $5,000,000, or

(vi) the Canadian Letter of Credit Usage would exceed the Canadian Maximum Credit less the outstanding amount of Canadian Revolving Loans.

(c) Borrowers and the Lender Group hereby acknowledge and agree that all Existing Letters of Credit shall constitute US Letters of Credit under this Agreement on and after the Effective Date with the same effect as if such Existing Letters of Credit were issued by Issuing Lender or an Underlying Issuer at the request of US Borrowers on the Effective Date. Without limiting any of their respective rights or remedies, the Issuing Lender with respect to any such Existing Letter of Credit, and Agent and the other Lenders, shall have recourse to Parent in connection therewith to the same extent as if Parent had been the original applicant and/or account party with respect thereto. Each Letter of Credit shall be in form and substance reasonably acceptable to the Issuing Lender. If Issuing Lender makes a payment under a US Letter of Credit or an Underlying Issuer makes a payment under a US Underlying Letter of Credit, US Borrowers shall pay to Agent an amount equal to the applicable US Letter of Credit Disbursement on (i) the date such US Letter of Credit Disbursement is made, if Administrative Borrower has received notice of such US Letter of Credit Disbursement prior to 11:00 a.m. on such date, or (ii) the next Business Day if such notice is not received prior to 11:00 a.m. on such date and, in the absence of such payment, the amount of the US Letter of Credit Disbursement immediately and automatically shall be deemed to be a US Revolving Loan hereunder and, initially, shall bear interest at the rate then applicable to US Revolving Loans that are Base Rate Loans. If Issuing Lender makes a payment under a Canadian Letter of Credit or an Underlying Issuer makes a payment under a Canadian Underlying Letter of Credit, Canadian Borrowers shall pay to Agent an amount equal to the applicable Canadian Letter of Credit Disbursement on (i) the date such Canadian Letter of Credit Disbursement is made, if Administrative Borrower has received notice of such Canadian Letter of Credit Disbursement prior to 11:00 a.m. on such date, or (ii) the next Business Day if such notice is not received prior to 11:00 a.m. on such date and, in the absence of such payment on the date when due, the amount of the Canadian Letter of

Credit Disbursement immediately and automatically shall be deemed to be a Canadian Revolving Loan hereunder and, initially, unless later converted to BA Rate Loans, shall bear interest at the rate then applicable to Canadian Revolving Loans that are Base Rate Loans. If a Letter of Credit Disbursement is deemed to be a Revolving Loan hereunder (notwithstanding any failure to satisfy any condition precedent set forth in Section 3), Borrowers' obligation to pay the amount of such Letter of Credit Disbursement to Issuing Lender shall be automatically converted into an obligation to pay the resulting Revolving Loan. Promptly following receipt by Agent of any payment from Borrowers pursuant to this paragraph, Agent shall distribute such payment to the Issuing Lender or, to the extent that Lenders have made payments pursuant to Section 2.9(d) to reimburse the Issuing Lender, then to such Lenders and the Issuing Lender as their interests may appear.

(d) Promptly following receipt of a notice of a US Letter of Credit Disbursement pursuant to Section 2.9(c), each Lender with a US Commitment agrees to fund its Pro Rata Share of any US Revolving Loan deemed made pursuant to Section 2.9(c) on the same terms and conditions as if Borrowers had requested the amount thereof as a Revolving Loan and Agent shall promptly pay to Issuing Lender the amounts so received by it from the Lenders. By the issuance of a US Letter of Credit or a Reimbursement Undertaking related thereto (or an amendment, renewal or extension of a US Letter of Credit or a Reimbursement Undertaking related thereto) and without any further action on the part of the Issuing Lender or the Lenders with Commitments, the Issuing Lender shall be deemed to have granted to each Lender with a US Commitment, and each Lender with a US Commitment shall be deemed to have purchased, a participation in each US Letter of Credit issued by Issuing Lender and each Reimbursement Undertaking related thereto, in an amount equal to its Pro Rata Share of such US Letter of Credit or Reimbursement Undertaking, and each such Lender agrees to pay to Agent, for the account of the Issuing Lender, such Lender's Pro Rata Share of any US Letter of Credit Disbursement made by Issuing Lender or an Underlying Issuer under the applicable US Letter of Credit. In consideration and in furtherance of the foregoing, each Lender with a US Commitment hereby absolutely and unconditionally agrees to pay to Agent, for the account of the Issuing Lender, such Lender's Pro Rata Share of each US Letter of Credit Disbursement made by Issuing Lender or an Underlying Issuer and not reimbursed by Borrowers on the date due as provided in Section 2.9(c), or of any reimbursement payment required to be refunded (or that Agent or Issuing Lender elects, based upon the advice or counsel to refund) to US Borrowers for any reason. Promptly following receipt of a notice of a Canadian Letter of Credit Disbursement pursuant to Section 2.9(c), each Lender with a Canadian Commitment agrees to fund its Pro Rata Share of any Canadian Revolving Loan deemed made pursuant to Section 2.9(c) on the same terms and conditions as if Borrowers had requested the amount thereof as a Revolving Loan and Agent shall promptly pay to Issuing Lender the amounts so received by it from the Lenders. By the issuance of a Canadian Letter of Credit or a Reimbursement Undertaking related thereto (or an amendment, renewal or extension of a Letter of Credit or a Reimbursement Undertaking related thereto) and without any further action on the part of the Issuing Lender or the Lenders with Canadian Commitments, the Issuing Lender shall be deemed to have granted to each Lender with a Canadian Commitment, and each Lender with a Canadian Commitment shall be deemed to have purchased, a participation in each Canadian Letter of Credit issued by Issuing Lender and each Reimbursement Undertaking related thereto, in an amount equal to its Pro Rata Share of such Canadian Letter of Credit or Reimbursement Undertaking related thereto, and each such Canadian Lender agrees to pay to Agent, for the account of the Issuing Lender, such Lender's

Pro Rata Share of any Canadian Letter of Credit Disbursement made by Issuing Lender or an Underlying Issuer under the applicable Canadian Letter of Credit. In consideration and in furtherance of the foregoing, each Lender with a Canadian Commitment hereby absolutely and unconditionally agrees to pay to Agent, for the account of the Issuing Lender, such Lender's Pro Rata Share of each Canadian Letter of Credit Disbursement made by Issuing Lender or an Underlying Issuer and not reimbursed by Borrowers on the date due as provided in Section 2.9(c), or of any reimbursement payment required to be refunded (or that Agent or Issuing Lender elects, based upon the advice or counsel to refund) to Canadian Borrowers for any reason. Each Lender with a Commitment acknowledges and agrees that its obligation to deliver to Agent, for the account of the Issuing Lender, an amount equal to its respective Pro Rata Share of each Letter of Credit Disbursement pursuant to this Section 2.9(d) shall be absolute and unconditional and such remittance shall be made notwithstanding the occurrence or continuation of an Event of Default or Default or the failure to satisfy any condition set forth in Section 3. If any such Lender fails to make available to Agent the amount of such Lender's Pro Rata Share of a Letter of Credit Disbursement as provided in this Section, such Lender shall be deemed to be a Defaulting Lender and Agent (for the account of the Issuing Lender) shall be entitled to recover such amount on demand from such Lender together with interest thereon at the Defaulting Lender Rate until paid in full.

(e) Each Borrower hereby agrees to indemnify, save, defend, and hold the Lender Group and each Underlying Issuer harmless from any damage, loss, cost, expense, or liability (other than Taxes, which shall be governed by Section 16), and reasonable and documented attorneys' fees of (i) one US counsel to Agent, (ii) one Canadian counsel to Agent, (iii) one regulatory counsel to Agent (if necessary) and (iv) one local counsel in each appropriate jurisdiction selected by Agent (if necessary) and, if an Event of Default has occurred and is continuing (and such additional counsel is necessary as a result of conflicts of interest), one additional counsel to the Lender Group or any Underlying Issuer arising out of or in connection with any Reimbursement Undertaking or any Letter of Credit; provided, that, (i) no Borrower shall be obligated hereunder to indemnify the Lender Group, Issuing Lender or any Underlying Issuer for any loss, cost, expense, or liability that results from the bad faith, gross negligence or willful misconduct of the Issuing Lender, any other member of the Lender Group, or any Underlying Issuer as determined pursuant to a final, non-appealable order of a court of competent jurisdiction and (ii) Canadian Borrowers shall not be obligated to indemnify for any such loss, cost, expense or liability arising under or in connection with a US Letter of Credit. Each Borrower agrees to be bound by the Underlying Issuer's regulations and interpretations of any Letter of Credit or by Issuing Lender's interpretations of any Reimbursement Undertaking, and each Borrower agrees that none of the Issuing Lender, any other member of the Lender Group, or any Underlying Issuer shall be liable for any error, negligence, or mistake, whether of omission or commission, in following any Borrower's instructions or those in the Letter of Credit or any modifications, amendments, or supplements thereto. Each Borrower understands that the Reimbursement Undertakings may require Issuing Lender to indemnify the Underlying Issuer for certain costs or liabilities arising out of claims by a Borrower against such Underlying Issuer. Each Borrower hereby agrees to indemnify, save, defend, and hold Issuing Lender and the other members of the Lender Group harmless with respect to any loss, cost, expense (including reasonable attorneys' fees and expenses), or liability (other than Taxes, which shall be governed by Section 16) incurred by them as a result of the Issuing Lender's indemnification of an Underlying Issuer; provided, that, (i) no Borrower shall be obligated hereunder to indemnify any

such person for any such loss, cost, expense, or liability to the extent that it is caused by the bad faith, gross negligence or willful misconduct of such person as determined pursuant to a final, non-appealable order of a court of competent jurisdiction and (ii) Canadian Borrowers shall not be obligated to indemnify for any such loss, cost, expense or liability arising under or in connection with a US Letter of Credit. Each Borrower hereby acknowledges and agrees that none of the Issuing Lender, any other member of the Lender Group, or any Underlying Issuer shall be responsible for delays, errors, or omissions resulting from the malfunction of equipment in connection with any Letter of Credit.

(f) The obligation of Borrowers to reimburse the Issuing Lender for each drawing under each Letter of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or another Loan Document,

(ii) the existence of any claim, counterclaim, setoff, defense or other right that Parent or any of its Subsidiaries 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 maybe acting), the Issuing Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or 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 therein 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) any payment by the Issuing Lender under such Letter of Credit against presentation of a draft or certificate that does not substantially or strictly comply with the terms of such Letter of Credit (including, without limitation, any requirement that presentation be made at a particular place or by a particular time of day), or any payment made by the Issuing Lender 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,

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or discharge of, Borrowers or any of their Subsidiaries, or

(vi) any Event of Default shall have occurred and be continuing.

(g) Each Borrower hereby authorizes and directs any Underlying Issuer to deliver to the Issuing Lender all instruments, documents, and other writings and property received by such Underlying Issuer pursuant to such Underlying Letter of Credit and to accept and rely upon the Issuing Lender's instructions with respect to all matters arising in connection with such Underlying Letter of Credit and the related application.

(h) Borrowers shall pay to the Issuing Lender, for its own account, a fronting fee equal to one quarter of one percent (0.25%) per annum, which fee shall be paid monthly in arrears on the first day of each month. Each Borrower acknowledges and agrees that any and all issuance charges, usage charges, commissions, fees, and costs incurred by the Issuing Lender relating to Underlying Letters of Credit shall be Lender Group Expenses for purposes of this Agreement and shall be reimbursable promptly, but in any event, within one (1) Business Day by Borrowers to Agent for the account of the Issuing Lender.

(i) If by reason of (i) any change after the Effective Date in any applicable law, treaty, rule, or regulation or any change in the interpretation or application thereof by any Governmental Authority, or (ii) compliance by the Issuing Lender, any other member of the Lender Group, or Underlying Issuer with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority including, Regulation D of the Federal Reserve Board as from time to time in effect (and any successor thereto):

(i) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any Letter of Credit issued or caused to be issued hereunder or hereby, or

(ii) there shall be imposed on the Issuing Lender, any other member of the Lender Group, or Underlying Issuer any other condition regarding any Letter of Credit or Reimbursement Undertaking,

and the result of the foregoing is to increase, directly or indirectly, the cost to the Issuing Lender, any other member of the Lender Group, or an Underlying Issuer of issuing, making, participating in, or maintaining any Reimbursement Undertaking or Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Agent may, at any time within a reasonable period after the additional cost is incurred or the amount received is reduced, notify Administrative Borrower, and Borrowers shall pay within thirty (30) days after demand therefor, such amounts as Agent may specify to be necessary to compensate the Issuing Lender, any other member of the Lender Group, or an Underlying Issuer for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the rate then applicable to Base Rate Loans hereunder; provided, that, (A) no Borrower shall be required to provide any compensation pursuant to this Section 2.9(i) for any such amounts incurred more than one hundred eighty (180) days prior to the date on which the demand for payment of such amounts is first made to Borrowers and (B) if an event or circumstance giving rise to such amounts is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Agent of any amount due pursuant to this Section 2.9(i), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

2.10. LIBOR Option.

(a) **Interest and Interest Payment Dates**. In lieu of having interest charged at the rate based upon the Base Rate, Borrowers shall have the option, subject to Section 2.10(b) below (the "LIBOR Option") to have interest on all or a portion of the Revolving Loans be charged (whether at the time when made (unless otherwise provided herein), upon conversion from a Base Rate Loan to a LIBOR Rate Loan, or upon continuation of a LIBOR Rate Loan as a LIBOR Rate Loan) at a rate of interest based upon the LIBOR Rate. Interest on LIBOR Rate Loans shall be payable on the earliest of (i) the last day of the Interest Period applicable thereto; (ii) the date on which all or any portion of the Obligations are accelerated pursuant to the terms hereof, or (iii) the date on which this Agreement is terminated pursuant to the terms hereof. On the last day of each applicable Interest Period, unless Borrowers properly have exercised the LIBOR Option with respect thereto, the interest rate applicable to such LIBOR Rate Loan automatically shall convert to the rate of interest then applicable to Base Rate Loans of the same type hereunder. At any time that an Event of Default has occurred and is continuing, at the written election of the Required Lenders, Borrowers no longer shall have the option to request that Revolving Loans bear interest at a rate based upon the LIBOR Rate.

(b) **LIBOR Election**.

(i) Borrowers may, at any time and from time to time, so long as Administrative Borrower has not received a notice from Agent, after the occurrence and during the continuance of an Event of Default, of the election of the Required Lenders to terminate the right of Borrowers to exercise the LIBOR Option during the continuance of such Event of Default, elect to exercise the LIBOR Option by notifying Agent prior to 11:00 a.m. at least three (3) Business Days prior to the commencement of the proposed Interest Period (the "LIBOR Deadline"). Notice of Borrowers' election of the LIBOR Option for a permitted portion of the Revolving Loans and an Interest Period pursuant to this Section shall be made by delivery to Agent of a LIBOR Notice received by Agent before the LIBOR Deadline, or by telephonic notice received by Agent before the LIBOR Deadline (to be confirmed by delivery to Agent of a LIBOR Notice received by Agent prior to 5:00 p.m. on the same day). Promptly upon its receipt of each such LIBOR Notice, Agent shall provide a copy thereof to each of the affected Lenders.

(ii) Each LIBOR Notice shall be irrevocable and binding on each Borrower. In connection with each LIBOR Rate Loan, each Borrower shall indemnify, defend, and hold Agent and the Lenders harmless against any loss, cost, or expense actually incurred by Agent or any Lender as a result of (A) the payment of any principal of any LIBOR Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (B) the conversion of any LIBOR Rate Loan other than on the last day of the Interest Period applicable thereto, or (C) the failure to borrow, convert, continue or prepay any LIBOR Rate Loan on the date specified in any LIBOR Notice delivered pursuant hereto (such losses, costs, or expenses, "Funding Losses"). A certificate of Agent or a Lender delivered to Borrowers setting forth in reasonable detail any amount or amounts that Agent or such Lender is entitled to receive pursuant to this Section 2.10 shall be conclusive absent manifest error. Borrowers shall pay such amount to Agent or the Lender, as applicable, within thirty (30) days of the

date of its receipt of such certificate. If a payment of a LIBOR Rate Loan on a day other than the last day of the applicable Interest Period would result in a Funding Loss, Agent may, in its sole discretion at the request of Borrowers, hold the amount of such payment as cash collateral in support of the Obligations until the last day of such Interest Period and apply such amounts to the payment of the applicable LIBOR Rate Loan on such last day, it being agreed that Agent has no obligation to so defer the application of payments to any LIBOR Rate Loan and that, in the event that Agent does not defer such application, Borrowers shall be obligated to pay any resulting Funding Losses.

(iii) Borrowers shall have not more than ten (10) LIBOR Rate Loans and/or BA Rate Loans in effect at any given time. Borrowers only may exercise the LIBOR Option for proposed LIBOR Rate Loans of at least $1,000,000.

(c) **Conversion**. Borrowers may convert LIBOR Rate Loans to Base Rate Loans at any time; provided, that, in the event that LIBOR Rate Loans are converted or prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any prepayment through the required application by Agent of proceeds of Loan Parties' Collections in accordance with Section 2.3(b) or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the Obligations pursuant to the terms hereof, each Borrower shall indemnify, defend, and hold Agent and the Lenders and their Participants harmless against any and all Funding Losses in accordance with Section 2.10 (b)(ii).

(d) **Special Provisions Applicable to LIBOR Rate**.

(i) The LIBOR Rate may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any Eurodollar deposits or increased costs, in each case, due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period, including changes in the reserve requirements imposed by the Board of Governors of the Federal Reserve System (or any successor), which additional or increased costs would increase the cost of funding or maintaining loans bearing interest at the LIBOR Rate. In any such event, the affected Lender shall give Borrowers and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrowers may, by notice to such affected Lender (A) require such Lender to furnish to Borrowers a statement setting forth in reasonable detail the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment, or (B) repay the LIBOR Rate Loans of such Lender with respect to which such adjustment is made (together with any amounts due under Section 2.10(b)(ii)).

(ii) In the event that any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation or application thereof, shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain LIBOR Rate Loans or to continue such funding or maintaining, or to determine or charge interest rates at the LIBOR Rate, such Lender shall give notice of such changed circumstances to

Agent and Borrowers and Agent promptly shall transmit the notice to each other Lender and (A) in the case of any LIBOR Rate Loans of such Lender that are outstanding, the date specified in such Lender's notice shall be deemed to be the last day of the Interest Period of such LIBOR Rate Loans, and interest upon the LIBOR Rate Loans of such Lender thereafter shall accrue interest at the rate then applicable to Base Rate Loans, and (B) Borrowers shall not be entitled to elect the LIBOR Option until such Lender determines that it would no longer be unlawful or impractical to do so.

(iii) For purposes of this Section 2.10(d) and Section 2.15(d), the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Basel Committee on Banking Supervision (or any successor or similar authority), the Bank for International Settlements and, in each case, all rules, regulations, orders, requests, guidelines or directives in connection therewith are deemed to have been enacted and become effective after the date of this Agreement.

(e) **No Requirement of Matched Funding**. Anything to the contrary contained herein notwithstanding, neither Agent, nor any Lender, nor any of their Participants, is required actually to acquire eurodollar deposits to fund or otherwise match fund any Obligation as to which interest accrues at the LIBOR Rate.

2.11. Capital Requirements.

(a) If, after the date hereof, any Lender determines that (i) the adoption of or change in any law, rule, regulation or guideline regarding capital or reserve requirements for banks or bank holding companies, or any change in the interpretation, implementation, or application thereof by any Governmental Authority charged with the administration thereof, or (ii) compliance by such Lender or its parent bank holding company with any guideline, request or directive of any such entity regarding capital adequacy (whether or not having the force of law), has the effect of reducing the return on such Lender's or such holding company's capital as a consequence of such Lender's Commitments hereunder to a level below that which such Lender or such holding company could have achieved but for such adoption, change, or compliance (taking into consideration such Lender's or such holding company's then existing policies with respect to capital adequacy and assuming the full utilization of such entity's capital) by any amount deemed by such Lender to be material, then such Lender may notify Administrative Borrower and Agent thereof. Following receipt of such notice, Borrowers agree to pay such Lender on demand the amount of such reduction of return of capital as and when such reduction is determined, payable within thirty (30) days after presentation by such Lender of a statement in the amount and setting forth in reasonable detail such Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent manifest error). In determining such amount, such Lender may use any reasonable averaging and attribution methods. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided, that, (A) no Borrower shall be required to compensate a Lender pursuant to this Section for any reductions in return incurred more than one hundred eighty (180) days prior to the date that such Lender notifies Borrowers of such law, rule, regulation or guideline giving rise to such reductions and of such Lender's intention to claim compensation therefore and (B) if such claim arises by reason of the adoption of or change in

any law, rule, regulation or guideline that is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. For purposes of this Section 2.11 (a), the Dodd-Frank Wall Street Reform and Consumer Protection, the Basel Committee on Banking Supervision (or any successor or similar authority), the Bank for International Settlements and all rules, regulations, orders, requests, guidelines or directives in connection therewith are deemed to have been enacted and become effective after the date of this Agreement.

(b) If any Lender requests additional or increased costs referred to in Section 2.10(d)(i) or amounts under Section 2.15(d)(i) or sends a notice under Section 2.10(d)(ii) or Section 2.15(d)(ii) relative to changed circumstances (any such Lender, an "Affected Lender"), then such Affected Lender shall use reasonable efforts to promptly designate a different one of its lending offices or to assign its rights and obligations hereunder to another of its offices or branches, if (i) in the reasonable judgment of such Affected Lender, such designation or assignment would eliminate or reduce amounts payable pursuant to Section 2.10(d)(i) or Section 2.15(d)(i), as applicable, or would eliminate the illegality or impracticality of funding or maintaining LIBOR Rate Loans or BA Rate Loans and (ii) in the reasonable judgment of such Affected Lender, such designation or assignment would not subject it to any material unreimbursed cost or expense and would not otherwise be materially disadvantageous to it. Borrowers agree to pay all reasonable out-of-pocket costs and expenses incurred by such Affected Lender in connection with any such designation or assignment. If, after such reasonable efforts, such Affected Lender does not so designate a different one of its lending offices or assign its rights to another of its offices or branches so as to eliminate Borrowers' obligation to pay any future amounts to such Affected Lender pursuant to Section 2.10(d)(i) or Section 2.15(d)(i), as applicable, or to enable Borrowers to obtain LIBOR Rate Loans or BA Rate Loans, then Borrowers (without prejudice to any amounts then due to such Affected Lender under Section 2.10(d)(i) or Section 2.15(d)(i), as applicable) may, unless prior to the effective date of any such assignment the Affected Lender withdraws its request for such additional amounts under Section 2.10(d)(i) or Section 2.15(d)(i), as applicable, or indicates that it is no longer unlawful or impractical to fund or maintain LIBOR Rate Loans or BA Rate Loans, may seek a substitute Lender reasonably acceptable to Agent to purchase the Obligations owed to such Affected Lender and such Affected Lender's Commitments hereunder (a "Replacement Lender"), and if such Replacement Lender agrees to such purchase, such Affected Lender shall assign to the Replacement Lender its Obligations and Commitments, pursuant to an Assignment and Acceptance Agreement, and upon such purchase by the Replacement Lender, such Replacement Lender shall be deemed to be a "Lender" for purposes of this Agreement and such Affected Lender shall cease to be a "Lender" for purposes of this Agreement.

2.12. Increase in US Maximum Credit or Canadian Maximum Credit.

(a) Administrative Borrower may, at any time, deliver a written request to Agent to increase the US Maximum Credit or the Canadian Maximum Credit, as applicable. Any such written request shall specify the amount of the increase in the US Maximum Credit or the Canadian Maximum Credit, as applicable, that Borrowers are requesting, provided, that, (i) in no event shall the aggregate amount of any such increase cause the aggregate amount of the US Maximum Credit and the Canadian Maximum Credit to exceed an amount equal to $450,000,000, (ii) such request shall be for an increase of not less than $10,000,000, (iii) any such request shall be irrevocable, (iv) in no event shall there be more than one such increase in any calendar quarter, (v) in no event shall there be more than four (4) such increases during the term of this Agreement, and (vi) no Event of Default shall exist or have occurred and be continuing.

(b) Upon the receipt by Agent of any such written request, Agent shall notify each of the US Lenders or each of the Canadian Lenders, as applicable, of such request and each US Lender and each Canadian Lender, as applicable, shall have the option (but not the obligation) to increase the amount of its US Commitment or Canadian Commitment, as applicable, by an amount up to its Pro Rata Share of the amount of the increase thereof requested by Administrative Borrower as set forth in the notice from Agent to such US Lender or Canadian Lender. Each US Lender or each Canadian Lender, as applicable, shall notify Agent within fifteen (15) days after the receipt of such notice from Agent whether it is willing to so increase its US Commitment or Canadian Commitment, as applicable, and if so, the amount of such increase; provided, that, (i) the minimum increase in the US Commitments of each such US Lender providing the additional US Commitments, or in the Canadian Commitments of each such Canadian Lender providing the additional Canadian Commitments, shall equal or exceed $2,500,000, and (ii) no US Lender or Canadian Lender, as applicable, shall be obligated to provide such increase in its US Commitment or Canadian Commitment and the determination to increase the US Commitment of a US Lender or the Canadian Commitment of a Canadian Lender shall be within the sole and absolute discretion of such US Lender or Canadian Lender. If the aggregate amount of the increases in the US Commitments received from the US Lenders or the aggregate amount of the increases in the Canadian Commitments received from the Canadian Lenders, as applicable, does not equal or exceed the amount of the increase in the US Maximum Credit or Canadian Maximum Credit, as applicable, requested by Borrowers, Agent may seek additional increases from US Lenders or Canadian Lenders, as applicable, or US Commitments or Canadian Commitments, as applicable, from such Eligible Transferees as it may determine, after consultation with Borrowers. In the event US Lenders or Canadian Lenders, as applicable (or US Lenders or Canadian Lenders, as applicable, and any such Eligible Transferees, as the case may be), have committed in writing to provide increases in their US Commitments or Canadian Commitments, as applicable, or new US Commitments or new Canadian Commitments in an aggregate amount in excess of the increase in the US Maximum Credit or Canadian Maximum Credit requested by Administrative Borrower or permitted hereunder, Agent shall then have the right to allocate such commitments, first to US Lenders or Canadian Lenders, as applicable, and then to Eligible Transferees, in such amounts and manner as Agent may determine, after consultation with Borrowers.

(c) The US Maximum Credit or the Canadian Maximum Credit, as applicable, shall be increased by the amount of the increase in the applicable US Commitments or Canadian Commitments from Lenders or new US Commitments or Canadian Commitments, as applicable, from Eligible Transferees, in each case selected in accordance with Section 2.12(b) above, for which Agent has received Assignment and Acceptances thirty (30) days after the date of the request by Administrative Borrower for the increase or such earlier date as Agent and Administrative Borrower may agree (but subject to the satisfaction of the conditions set forth below), whether or not the aggregate amount of the increase in US Commitments and new US Commitments, as the case may be, or in Canadian Commitments and new Canadian Commitments, as the case may be less than, equal to or exceed the amount of the increase in the

US Maximum Credit or Canadian Maximum Credit, as applicable, requested by Administrative Borrower in accordance with the terms hereof (provided, that, in the event that the aggregate amount of the increase in Commitments and/or new Commitments offered by Lenders or Eligible Transferees in response to the request of Agent as described above is greater than the aggregate amount requested, Administrative Borrower may, at its option, elect to increase the Commitments to such greater amount, so long as Administrative Borrower gives prompt and timely written notice to Agent of the exercise of such option), effective on the date that each of the following conditions have been satisfied:

(i) Agent shall have received from each US Lender or Canadian Lender, as applicable, or Eligible Transferee that is providing an additional US Commitment or Canadian Commitment as part of the increase in the US Maximum Credit or Canadian Maximum Credit, an Assignment and Acceptance duly executed by such US Lender or Canadian Lender, as applicable, or Eligible Transferee and Borrowers, provided, that, the aggregate US Commitments or Canadian Commitments set forth in such Assignment and Acceptance(s) shall be not less than $1,000,000;

(ii) the conditions precedent to the making of Revolving Loans set forth in Section 3.2 shall be satisfied as of the date of the increase in the US Maximum Credit or the Canadian Maximum Credit, both before and after giving effect to such increase;

(iii) such increase in the US Maximum Credit or the Canadian Maximum Credit, as applicable, on the date of the effectiveness thereof, shall not violate any applicable law, regulation or order or decree of any court or other Governmental Authority and shall not be enjoined, temporarily, preliminarily or permanently;

(iv) there shall have been paid to each US Lender or Canadian Lender, as applicable, and Eligible Transferee providing an additional US Commitment or Canadian Commitment in connection with such increase in the US Maximum Credit or Canadian Maximum Credit all fees and expenses due and payable to such Person on or before the effectiveness of such increase; and

(v) there shall have been paid to Agent, for the account of the Agent and US Lenders or Canadian Lenders, as applicable (in accordance with any agreement among them) all fees and expenses (including reasonable fees and expenses of counsel) due and payable pursuant to any of the Loan Documents on or before the effectiveness of such increase.

(d) As of the effective date of any such increase in the US Maximum Credit or Canadian Maximum Credit, each reference to the term US Commitments and US Maximum Credit herein, as applicable, or the term Canadian Commitments and Canadian Maximum Credit, as applicable, and in any of the other Loan Documents shall be deemed amended to mean the amount of the US Commitments and US Maximum Credit or the amount of the Canadian Commitments and Canadian Maximum Credit, as applicable, specified in the most recent written notice from Agent to Administrative Borrower of the increase in the US Commitments and US Maximum Credit, as applicable, or in the increase in the Canadian Commitments and Canadian Maximum Credit, as applicable.

(e) Effective on the date of each increase in the US Maximum Credit pursuant to this Section 2.12, each reference in this Agreement to an amount of US Excess Availability shall, automatically and without any further action, be deemed to be increased so that the ratio of the amount of US Excess Availability to the amount of the US Maximum Credit after such increase in the US Maximum Credit remains the same as the ratio of such the amount of US Excess Availability to the amount of the US Maximum Credit prior to such increase in the US Maximum Credit.

(f) Effective on the date of each increase in the Canadian Maximum Credit pursuant to this Section 2.12, each reference in this Agreement to an amount of Canadian Excess Availability shall, automatically and without any further action, be deemed to be increased so that the ratio of the amount of Canadian Excess Availability to the amount of the Canadian Maximum Credit after such increase in the Canadian Maximum Credit remains the same as the ratio of such the amount of Canadian Excess Availability to the amount of the Canadian Maximum Credit prior to such increase in the Canadian Maximum Credit.

2.13. Defaulting Lenders.

(a) **Defaulting Lender Adjustments**. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definitions of Required Lenders and Supermajority Lenders and as set forth in Section 14.1(e).

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 8 or otherwise) or received by Agent from a Defaulting Lender pursuant to Section 16.1 shall be applied at such time or times as may be determined by Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to Issuing Lender or Swing Lender hereunder; third, to provide cash collateral for the Issuing Lender's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.13(e) below; fourth, as Administrative Borrower may request (so long as no Default or Event of Default exists or has occurred and is continuing), to the funding of any Revolving Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by Agent; fifth, if so determined by Agent and Administrative 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 Revolving Loans (including Swing Loans, Protective

Advances and Overadvances) under this Agreement and (B) provide cash collateral for the benefit of Issuing Lender with respect to future Fronting Exposure of Issuing Lender; sixth, to the payment of any amounts owing to Lenders, the Issuing Lender or Swing Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Lender or Swing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default shall exist or have occurred and be continuing, to the payment of any amounts owing to Parent as a result of any judgment of a court of competent jurisdiction obtained by Parent 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 directed by a court of competent jurisdiction; provided, that, if (A) such payment is a payment of the principal amount of any Revolving Loans or Letter of Credit Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (B) such Revolving Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 3.2 were satisfied and waived, such payment shall be applied solely to pay the Revolving Loans of, and Letter of Credit Disbursements owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Revolving Loans of, or Letter of Credit Disbursements owed to, such Defaulting Lender until such time as all Revolving Loans and funded and unfunded participations in Obligations in respect of Letters of Credit and Swing Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 2.13(a)(iv). 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 Section 2.13(e) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any unused line fee under Section 2.8(c) for any period during which that Lender is a Defaulting Lender (and Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive letter of credit fees under Section 2.8(b) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Pro Rata Share of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to Section 2.13(e).

(C) With respect to any Letter of Credit fee not required to be paid to any Defaulting Lender pursuant to clause (i) or (ii) above, Borrowers shall (A) 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 Obligations in respect of Letters of Credit or Swing Loans that has been reallocated to such Non-Defaulting

Lender pursuant to clause (c) below, (B) pay to Issuing Lender and Swing Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to Issuing Lender's or Swing Lender's Fronting Exposure to such Defaulting Lender, and (C) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in Letters of Credit and Swing Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (A) the conditions set forth in Section 3.2 are satisfied at the time of such reallocation (and, unless Borrowers shall have otherwise notified the Agent at such time, Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (B) such reallocation does not cause the aggregate outstanding Revolving Loans and participations in Letters of Credit, Swing Loans and Overadvances of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. 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 Swing Loans. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, Borrowers shall, without prejudice to any right or remedy available to it hereunder or under law, (A) first, prepay Swing Loans in an amount equal to Swing Lender's Fronting Exposure and (B) second, provide cash collateral for the Issuing Lender's Fronting Exposure in accordance with Section 2.13(e).

(b) **Defaulting Lender Cure**. If Borrowers, Agent, Swing Lender and Issuing Lender agree in writing that a Lender is no longer a Defaulting Lender, 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 Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Loans to be held pro rata by the Lenders in accordance with the Commitments (without giving effect to Section 2.13(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided, that, (i) no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and (ii) 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 Swing Loans/Letters of Credit**. So long as any Lender is a Defaulting Lender, (i) Swing Lender shall not be required to fund any Swing Loan unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swing Loan and (ii) no Issuing Lender or Underlying Issuer shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

(d) **Counterparties**. So long as any Lender is a Defaulting Lender, such Lender shall not be a counterparty with respect to any Hedge Agreement which gives rise to a Hedge Obligation entered into while such Lender was a Defaulting Lender.

(e) **Cash Collateral**. At any time that there shall exist a Defaulting Lender, within one (1) Business Day following the written request of Agent or Issuing Lender (with a copy to Agent), Borrowers shall provide cash collateral to secure the Fronting Exposure of the Issuing Lender with respect to such Defaulting Lender (determined after giving effect to Section 2.13(a)(iv) above and any cash collateral provided by such Defaulting Lender) in an amount not less than one hundred three percent (103%) of the Fronting Exposure of the Issuing Lender.

(i) Grant of Security Interest. Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to, for the benefit of the Issuing Lender, and agrees to maintain, a first priority security interest in all such cash collateral as security for such Defaulting Lender's obligation to fund participations in respect of Obligations in connection with Letters of Credit, to be applied pursuant to clause (e)(ii) below. If at any time Agent determines that such cash collateral is subject to any right or claim of any Person other than Agent and Issuing Lender as herein provided (other than the Permitted Liens), or that the total amount of such cash collateral is less than the amount specified above, Borrowers shall, promptly upon demand by Agent, pay or provide to Agent additional cash collateral in an amount sufficient to eliminate such deficiency (after giving effect to any cash collateral provided by the Defaulting Lender).

(ii) Application. Notwithstanding anything to the contrary contained in this Agreement, cash collateral provided under this Section in respect of Letters of Credit shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of Obligations in connection with Letters of Credit (including, as to cash collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the cash collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(iii) Termination of Requirement. Cash collateral (or the appropriate portion thereof) provided to reduce Issuing Lender's Fronting Exposure shall no longer be required to be held as cash collateral pursuant to this Section following (A) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender), or (B) the determination by Agent and Issuing Lender that there exists excess cash collateral; provided that, (1) the Person providing cash collateral and Issuing Lender may agree that cash collateral shall be held to support future anticipated Fronting Exposure or other obligations and (2) to the extent that such cash collateral was provided by Borrowers, such cash collateral shall remain subject to the security interest granted pursuant to the Loan Documents.

2.14. Joint and Several Liability of Borrowers.

(a) Each US Borrower is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lender Group under this Agreement, for the mutual benefit, directly and indirectly, of each Borrower and in consideration of the undertakings of the other Borrowers to accept joint and several liability for the Obligations.

(b) Each US Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other Borrowers, with respect to the payment and performance of all of the Obligations (including any Obligations arising under this Section 2.14), it being the intention of the parties hereto that all the Obligations shall be the joint and several obligations of each Borrower without preferences or distinction among them.

(c) If and to the extent that any Borrower shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then in each such event the other US Borrowers will make such payment with respect to, or perform, such Obligation until such time as all of the Obligations are paid in full.

(d) The Obligations of each Borrower under the provisions of this Section 2.14 constitute the absolute and unconditional, full recourse Obligations of each Borrower enforceable against each Borrower to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of the provisions of this Agreement (other than this Section 2.14(d)) or any other circumstances whatsoever.

(e) Except as otherwise expressly provided in this Agreement, each Borrower hereby waives notice of acceptance of its joint and several liability, notice of any Revolving Loans or Letters of Credit issued under or pursuant to this Agreement, notice of the occurrence of any Default, Event of Default, or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by Agent or Lenders under or in respect of any of the Obligations, any requirement of diligence or to mitigate damages and, generally, to the extent permitted by applicable law, all demands, notices and other formalities of every kind in connection with this Agreement (except as otherwise provided in this Agreement). Each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment of any of the Obligations, the acceptance of any payment of any of the Obligations, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by Agent or Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement, any and all other indulgences whatsoever by Agent or Lenders in respect of any of the Obligations, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of the Obligations or the addition, substitution or release, in whole or in part, of any Borrower. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of any Agent or Lender with respect to the failure by any Borrower to comply with any of its respective Obligations, including, without limitation, any failure strictly or diligently to assert any right or

to pursue any remedy or to comply fully with applicable laws or regulations thereunder, which might, but for the provisions of this Section 2.14 afford grounds for terminating, discharging or relieving any Borrower, in whole or in part, from any of its Obligations under this Section 2.14, it being the intention of each Borrower that, so long as any of the Obligations hereunder remain unsatisfied, the Obligations of each Borrower under this Section 2.14 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this Section 2.14 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any other Borrower or any Agent or Lender.

(f) Each Borrower represents and warrants to Agent and Lenders that such Borrower is currently informed of the financial condition of Borrowers and of all other circumstances which a diligent inquiry would reveal and which bear upon the risk of nonpayment of the Obligations. Each Borrower further represents and warrants to Agent and Lenders that such Borrower has read and understands the terms and conditions of the Loan Documents. Each Borrower hereby covenants that such Borrower will continue to keep informed of Borrowers' financial condition and of all other circumstances which bear upon the risk of nonpayment or nonperformance of the Obligations.

(g) The provisions of this Section 2.14 are made for the benefit of Agent, each member of the Lender Group, each Bank Product Provider, and their respective successors and assigns, and may be enforced by it or them from time to time against any or all Borrowers as often as occasion therefor may arise and without requirement on the part of Agent, any member of the Lender Group, any Bank Product Provider, or any of their successors or assigns first to marshal any of its or their claims or to exercise any of its or their rights against any Borrower or to exhaust any remedies available to it or them against any Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 2.14 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied. If at any time, any payment, or any part thereof, made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by Agent or any Lender upon the insolvency, bankruptcy or reorganization of any Borrower, or otherwise, the provisions of this Section 2.14 will forthwith be reinstated in effect, as though such payment had not been made.

(h) Each Borrower hereby agrees that it will not enforce any of its rights of contribution or subrogation against any other Borrower with respect to any liability incurred by it hereunder or under any of the other Loan Documents, any payments made by it to Agent or Lenders with respect to any of the Obligations or any collateral security therefor until such time as all of the Obligations have been paid in full in cash. Any claim which any Borrower may have against any other Borrower with respect to any payments to any Agent or any member of the Lender Group hereunder or under any of the Bank Product Agreements are hereby expressly made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full in cash of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full in cash before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor.

(i) Each Borrower hereby agrees that after the occurrence and during the continuance of any Default or Event of Default, such Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Borrower owing to such Borrower until the Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such Borrower as trustee for Agent, and such Borrower shall deliver any such amounts to Agent for application to the Obligations in accordance with Section 2.3(b).

2.15. BA Rate Option.

(a) **Interest and Interest Payment Dates**. In lieu of having interest charged at the rate based upon the Base Rate, Canadian Borrowers shall have the option, subject to Section 2.15(b) below (the "BA Rate Option") to have interest on all or a portion of the Canadian Revolving Loans to be made in Canadian Dollars be charged (whether at the time when made (unless otherwise provided herein), upon conversion from a Base Rate Loan to a BA Rate Loan, or upon continuation of a BA Rate Loan as a BA Rate Loan) at a rate of interest based upon the BA Rate. Interest on BA Rate Loans shall be payable on the earliest of (i) the last day of the Interest Period applicable thereto; (ii) the date on which all or any portion of the Obligations become due and payable pursuant to the terms hereof, or (iii) the date on which this Agreement is terminated pursuant to the terms hereof. On the last day of each applicable Interest Period, unless Canadian Borrowers properly have exercised the BA Rate Option with respect thereto, the interest rate applicable to such BA Rate Loan automatically shall convert to the rate of interest then applicable to Base Rate Loans in Canadian Dollars. At any time that an Event of Default has occurred and is continuing, at the written election of the Required Lenders, Borrowers no longer shall have the option to request that Canadian Revolving Loans made in Canadian Dollars bear interest at a rate based upon the BA Rate.

(b) **BA Rate Election**.

(i) Canadian Borrowers may, at any time and from time to time, so long as Borrowers have not received a notice from Agent, after the occurrence and during the continuance of an Event of Default, of the election of the Required Lenders to terminate the right of Canadian Borrowers to exercise the BA Rate Option during the continuance of such Event of Default, elect to exercise the BA Rate Option by notifying Agent prior to 11:00 a.m., at least three (3) Business Days prior to the commencement of the proposed Interest Period (the "BA Rate Deadline"). Notice of Canadian Borrowers' election of the BA Rate Option for a portion of the Revolving Loans to be made in Canadian Dollars and an Interest Period pursuant to this Section 2.15(b) shall be made by delivery to Agent of a BA Rate Notice received by Agent before the BA Rate Deadline, or by telephonic notice received by Agent before the BA Rate Deadline (to be confirmed by delivery to Agent of a BA Rate Notice received by Agent prior to 5:00 p.m., on the same day). Promptly upon its receipt of each such BA Rate Notice, Agent shall provide a copy thereof to each of the affected Lenders.

(ii) Each BA Rate Notice shall be irrevocable and binding on Borrowers. In connection with each BA Rate Loan, Borrowers shall, jointly and severally indemnify, defend, and hold Agent and the Lenders harmless against any loss, cost, or expense actually incurred by Agent or any Lender as a result of (A) the payment of any principal of any BA Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (B) the conversion of any BA Rate Loan other than on the last day of the Interest Period applicable thereto, or (C) the failure to borrow, convert, continue or prepay any BA Rate Loan on the date specified in any BA Rate Notice delivered pursuant hereto (such losses, costs, or expenses, "BA Funding Losses"). A certificate of Agent or a Lender delivered to Administrative Borrower setting forth in reasonable detail any amount or amounts that Agent or such Lender is entitled to receive pursuant to this Section 2.15 shall be conclusive absent manifest error. Borrowers shall pay such amount to Agent or the Lender, as applicable, within thirty (30) days of the date of its receipt of such certificate. If a payment of a BA Rate Loan on a day other than the last day of the applicable Interest Period would result in a BA Funding Loss, Agent may, in its sole discretion at the request of Administrative Borrower, hold the amount of such payment as cash collateral in support of the Obligations until the last day of such Interest Period and apply such amounts to the payment of the applicable BA Rate Loan on such last day, it being agreed that Agent has no obligation to so defer the application of payments to any BA Rate Loan and that, in the event that Agent does not defer such application, Borrowers shall be obligated to pay any resulting BA Funding Losses.

(iii) Borrowers shall have not more than ten (10) BA Rate Loans and/or LIBOR Rate Loans in effect at any given time. Borrowers may only exercise the BA Rate Option for proposed BA Rate Loans of at least C$1,000,000.

(c) **Conversion**. Borrowers may convert Base Rate Loans in Canadian Dollars to BA Rate Loans at any time by exercising the BA Rate Option. Borrowers may convert BA Rate Loans to Base Rate Loans at any time; provided, that, in the event that BA Rate Loans are converted or prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any automatic prepayment through the required application by Agent of proceeds of Borrowers' and their Restricted Subsidiaries' Collections in accordance with Section 2.3(b) or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the Obligations pursuant to the terms hereof, Borrowers shall, jointly and severally indemnify, defend, and hold Agent and the Lenders harmless against any and all BA Funding Losses in accordance with Section 2.15(b)(ii).

(d) **Special Provisions Applicable to BA Rate**.

(i) The BA Rate may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any funding for BA Rate Loans or increased costs, in each case, due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period, which additional or increased costs would increase the cost of funding or maintaining loans bearing interest at the BA Rate. In any such event, the affected Lender shall give Administrative Borrower and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other

Lender and, upon its receipt of the notice from the affected Lender, Administrative Borrower may, by notice to such affected Lender (A) require such Lender to furnish to Administrative Borrower a statement setting forth the basis for adjusting such BA Rate and the method for determining the amount of such adjustment, or (B) repay the BA Rate Loans with respect to which such adjustment is made (together with any amounts due under Section 2.15(b)(ii)).

(ii) In the event that any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation or application thereof, shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain BA Rate Loans or to continue such funding or maintaining, or to determine or charge interest rates at the BA Rate, such Lender shall give notice of such changed circumstances to Agent and Administrative Borrower and Agent promptly shall transmit the notice to each other Lender and (A) in the case of any BA Rate Loans of such Lender that are outstanding, the date specified in such Lender's notice shall be deemed to be the last day of the Interest Period of such BA Rate Loans, and interest upon the BA Rate Loans of such Lender thereafter shall accrue interest at the rate then applicable to Base Rate Loans, and (B) Borrowers shall not be entitled to elect the BA Rate Option until such Lender determines that it would no longer be unlawful or impractical to do so.

(e) **No Requirement of Matched Funding**. Anything to the contrary contained herein notwithstanding, neither Agent, nor any Lender, nor any of their Participants, is required actually to issue bills of exchange or depository notes to fund or otherwise match fund any Obligation as to which interest accrues at the BA Rate.

3. CONDITIONS; TERM OF AGREEMENT.

3.1. Conditions Precedent to the Initial Extension of Credit. Subject to Section 3.6, the obligation of each Lender to make its initial extension of credit provided for hereunder is subject to the fulfillment, to the satisfaction of Agent and each Lender, of each of the conditions precedent set forth on Schedule 3.1 (the delivery to Agent of an executed signature page to this Agreement by a Lender being conclusively deemed to be its satisfaction with, or waiver of, the conditions precedent).

3.2. Conditions Precedent to all Extensions of Credit. Subject to Section 3.6, the obligation of the Lender Group (or any member thereof) to make any Revolving Loans hereunder (or to issue any Letter of Credit or amend or extend any Letter of Credit) at any time shall be subject to the following conditions precedent:

(a) as of the date of any such Revolving Loan (or other extension of credit) and after giving effect thereto, the representations and warranties of Parent or its Subsidiaries contained in this Agreement or in the other Loan Documents that are qualified as to materiality or Material Adverse Effect shall be true and correct and the representations and warranties that are not so qualified shall be true and correct in all material respects on and as of the date of such extension of credit, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date);

(b) as of the date of any such Revolving Loan (or other extension of credit) and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing;

(c) as of the date of any such Revolving Loan (or other extension of credit) and after giving effect thereto, the (i) the outstanding principal amount of US Revolving Loans and US Swing Loans plus the US Letter of Credit Usage shall not exceed the lesser of the US Borrowing Base or the US Maximum Credit and (ii) outstanding principal amount of Canadian Revolving Loans and Canadian Swing Loans plus the Canadian Letter of Credit Usage shall not exceed the lesser of the Canadian Borrowing Base or the Canadian Maximum Credit; and

(d) as of the date of any such Revolving Loan (or other extension of credit) and after giving effect thereto, the outstanding principal amount of the Loans plus the Letter of Credit Usage shall not exceed the Existing Note Secured Debt Limit and upon Agent's request, Agent shall have received such certificate in form and substance reasonably satisfactory to Agent, from an Authorized Person so stating (provided, that, in the event of an Overadvance as a result of the establishment of a new category of reserves or a change in the methodology of the calculation of an existing reserve, or as a result of the making of a Loan other than at the request of a Borrower (or Administrative Borrower on behalf of any Borrower), whether a Protective Advance or by charging the Loan Account, such amounts shall only be required to be included in the certificate to the extent Agent has provided notice thereof to Administrative Borrower or Administrative Borrower otherwise has knowledge thereof).

3.3. Maturity. This Agreement shall continue in full force and effect for a term ending on March 1, 2018 (the "Maturity Date"), subject to the rights of the Lender Group to terminate the Commitments as provided in Section 9 and the rights of Borrowers as provided in Section 3.5.

3.4. Effect of Maturity. On the Maturity Date, all commitments of the Lender Group to provide additional credit hereunder shall automatically be terminated and all of the Obligations immediately shall become due and payable without notice or demand and Borrowers shall be required to repay all of the Obligations in full. No termination of the obligations of the Lender Group (other than payment in full of the Obligations and termination of the Commitments) shall relieve or discharge any Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document and Agent's Liens in the Collateral shall continue to secure the Obligations and shall remain in effect until all Obligations have been paid in full and the Commitments have been terminated. When all of the Obligations have been paid in full and the Lender Group's obligations to provide additional credit under the Loan Documents have been terminated irrevocably, Agent will, at Borrowers' sole expense, execute and deliver any termination statements, lien releases, discharges of security interests, and other similar discharge or release documents (and, if applicable, in recordable form) as are reasonably necessary to release, as of record, Agent's Liens and all notices of Liens previously filed by Agent and Loan Parties shall execute and deliver to Agent a release of Agent and Lenders in form and substance reasonably satisfactory to Agent.

3.5. Early Termination by Borrowers. Borrowers have the option, at any time upon reasonable prior written notice to Agent (but in any event not less than three (3) Business Days), to terminate this Agreement and terminate the Commitments hereunder by repaying to Agent all of the Obligations in full.

3.6. Certain Funds. Notwithstanding anything to the contrary in this Article 3, to the extent that any Collateral (or the creation or perfection of any security interest therein), in each case intended to be made or granted is not or cannot be made or granted on the Effective Date, or with respect to the Spartech Acquisition or any Permitted Acquisition, before the closing date thereof (other than (i) Code and PPSA lien searches, (ii) the pledge and perfection of Collateral with respect to which a Lien may be perfected upon the Effective Date or such closing date, as applicable, solely by the filing of financing statements under the Code or the PPSA or by the filing of an notice with the United States Patent and Trademark Office, the United States Copyright Office or the Canadian Intellectual Property Office and (iii) the pledge and perfection of Liens on the Equity Interests of each Domestic Subsidiary and each Foreign Subsidiary organized under the laws of Canada or a Province thereof, of a Loan Party (other than an Excluded Subsidiary) in each case with respect to which a Lien may be perfected upon the Effective Date or such closing date, as applicable, by the delivery of a stock certificate to the extent such Equity Interests are evidenced by a stock certificate) after use by Loan Parties of commercially reasonable efforts to do so or without undue burden or expense, then the provision of any such Collateral (or creation or perfection of a security interest therein) shall not constitute a condition precedent to the initial funding under this Agreement on the Effective Date, or such closing date, as applicable, but shall be required to be delivered within the time periods specified in Schedule 5.16 for the types of Collateral described therein. It is acknowledged and agreed that the Loan Documents, other documents and tasks to be completed set forth in Schedule 5.16 shall not be provided or completed on the Effective Date or such closing date, as applicable, but shall be delivered or completed within the periods specified in Schedule 5.16 (or in each case, such longer period as the Agent, in its reasonable discretion, shall hereafter agree).

4. REPRESENTATIONS AND WARRANTIES.

In order to induce the Lender Group to enter into this Agreement, each Loan Party makes the following representations and warranties to the Lender Group which shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the Effective Date, and shall be true, correct, and complete, in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), as of the date of the making of each Loan (or other extension of credit) made thereafter, as though made on and as of the date of such Loan (or other extension of credit) (except to the extent that such representations and warranties relate solely to an earlier date) and such representations and warranties shall survive the execution and delivery of this Agreement:

4.1. Due Organization and Qualification; Subsidiaries.

(a) Each Loan Party (i) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (ii) has all requisite corporate or other organizational power and authority to (A) own or lease its assets and carry on its business and (B) execute, deliver and perform its obligations under the Loan Documents to which it is a party and consummate the Transactions, and (iii) 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; in each case referred to in clause (ii)(A) or (iii), where the failure to do so has, or could reasonably be expected to have, a Material Adverse Effect.

(b) As of the Effective Date, Parent has no Subsidiaries other than those specifically disclosed in Schedule 4.1, and as of the Effective Date all of the outstanding Equity Interests in such Subsidiaries have been validly issued, are fully paid and non-assessable (in each case, to the extent such concept is applicable under applicable Law) and are owned by a Loan Party in the amounts specified on Schedule 4.1 free and clear of all Liens except those created under the Loan Documents, the 2015 Note Security Agreement, the Series G Guarantee Security Agreements and any Liens described in clause (c) of the definition of the term Permitted Liens, if any.

4.2. Due Authorization; No Conflict.

(a) As to each Loan Party, the execution, delivery, and performance by such Loan Party of the Loan Documents to which it is a party have been duly authorized by all necessary corporate or organizational action on the part of such Loan Party.

(b) Neither the execution and delivery of this Agreement or the other Loan Documents by any Loan Party nor the consummation of the Transactions, nor compliance with the terms and provisions hereof or thereof by any of them will conflict with, constitute a default under or result in (a) any breach of (i) the terms and conditions of the certificate of incorporation, bylaws, certificate of limited partnership, limited partnership agreement, partnership agreement, certificate of formation, limited liability company agreement or other Governing Documents of any Loan Party or (ii) any Law or any material agreement or instrument or order, writ, judgment, injunction or decree to which any Loan Party or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or to which it is subject, where such conflict or default has, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or (b) the creation or enforcement of any Lien upon any property (now or hereafter acquired) of any Loan Party or any of its Subsidiaries (other than those created under the Loan Documents, the 2015 Note Security Agreement and the Series G Guarantee Security Agreements).

4.3. 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 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 or for the consummation of the transactions contemplated thereby, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Loan Documents, or (c) the perfection of the Liens created under the Loan Documents (including the first priority nature thereof to the extent required by the Loan Documents) except (i) for those registrations, exemptions, orders, authorizations, consents, approvals, notices or other actions that have been made, obtained, given or taken, (ii) filings and recordings with respect to the Collateral to be made, or otherwise delivered to Agent for filing and/or recordation, as of the Effective Date, or (iii) those approvals, consents, exemptions, authorizations or other actions, notices or filings, the failure of which to obtain or make does not have, and could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.4. Binding Obligations; Perfected Liens.

(a) Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

(b) The Liens in the Collateral granted to Agent pursuant to the Loan Documents constitute, to the extent required by the Loan Documents, valid and perfected first priority Liens, subject to the Permitted Liens. Except for filings contemplated on the Effective Date or such later date as is contemplated by this Agreement and the Loan Documents, no filings are required to perfect such Liens.

4.5. Title to Assets; No Encumbrances.

(a) Each of the Loan Parties and its Restricted Subsidiaries has (i) with respect to interests in owned Real Property, good record and marketable legal and insurable fee simple title, subject only to the Permitted Liens, (ii) with respect to leasehold interests in real or personal property, valid leasehold interests, subject only to the Permitted Liens, and (iii) with respect to all other property, good and marketable title to such assets, except (A) as to Real Property for minor defects in title that do not materially interfere with such Loan Party's or Subsidiary's ability to conduct its business and to utilize such assets for their intended purposes and (B) as to any property, the failure to have such title or other property interests does not have, and could not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) The property of each Loan Party is subject to no Liens, other than Permitted Liens.

(c) Schedule 4.5(c) sets forth as of the Effective Date a complete and accurate list of all Real Property owned by each Loan Party, showing as of the date hereof the street address, county or other relevant jurisdiction, state, record owner and book value (or, if available, fair market value) thereof.

(d) Schedule 4.5(d) sets forth as of the Effective Date a complete and accurate list of all leases and subleases of Real Property, where Collateral having value in excess of $100,000 is located, under which Parent or any other Loan Party is the lessee or comparable party, showing as of the date hereof the street address, county or other relevant jurisdiction, state, lessor and lessee.

4.6. Jurisdiction of Organization; Location of Chief Executive Office; Organizational Identification Number.

(a) The name (within the meaning of the Code or PPSA, as applicable) and jurisdiction of organization of each Loan Party and each of its Subsidiaries, as of the Effective Date, is set forth on Schedule 4.6(a).

(b) The chief executive office of each Loan Party as of the Effective Date, is located at the address indicated on Schedule 4.6(b).

(c) Each Loan Party's tax identification or business numbers (or in the case of any non-U.S. Loan Party that does not have a U.S. taxpayer identification number, its unique identification number issued to it by the jurisdiction of its incorporation or residence for tax purposes) and organizational identification numbers, if any, are identified on Schedule 4.6(c) as of the Effective Date.

4.7. Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrowers, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against a Loan Party or any of its Subsidiaries that (a) individually or in the aggregate, if adversely determined, has or would reasonably be expected to have a Material Adverse Effect or (b) purport to affect or pertain to this Agreement, any other Loan Document, or the consummation of the transactions contemplated under this Agreement.

4.8. Compliance with Laws. Each Loan Party and each Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, (a) except in such instances where such requirement of Law or order, writ, injunction or decree is subject to a Permitted Protest or (b) where the failure to comply therewith, either individually or in the aggregate, has, or would reasonably be expected to have, a Material Adverse Effect.

4.9. Financial Statements; No Material Adverse Effect.

(a) The audited financial statements of Parent and its Subsidiaries for the fiscal year ending December 31, 2012 (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 Parent and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of Parent and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness, in each case to the extent required by GAAP.

(b) Since December 31, 2012, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect.

4.10. Solvency.

(a) Each Borrower, individually, is Solvent and Parent and its Subsidiaries, on a consolidated basis, are Solvent.

(b) No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

4.11. Employee Benefits.

(a) Each Plan is in compliance with the applicable provisions of ERISA, the IRC and other federal or state laws, where the failure to so comply has, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the IRC has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the IRC and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the IRC, or an application for such a letter is currently being processed by the Internal Revenue Service. To the knowledge of Borrowers, nothing has occurred that would prevent or cause the loss of such tax qualified status where any such occurrence has, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) There are no pending or, to the knowledge of Borrowers, threatened claims, actions or lawsuits, or actions by any Governmental Authority, with respect to any Plan that has, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) Except as set forth in Schedule 4.11, hereto, (i) no ERISA Event has occurred, and neither Parent 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; (ii) Parent and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained in respect of any Pension Plan; and (iii) neither Parent nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA with respect to any Pension Plan, except, with respect to subsections (i) through (iii) above, as could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) As of the Effective Date, no Loan Party nor any of its Subsidiaries maintains, sponsors, administers, contributes to, participates in or has any liability in respect of any Specified Canadian Pension Plan, nor has any such Person ever maintained, sponsored, administered, contributed or participated in any Specified Canadian Pension Plan. Except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, (a) the Canadian Pension Plans are duly registered under the Income Tax Act (Canada) and any other applicable Laws which require registration, have been administered in accordance with the Income Tax Act (Canada) and such other applicable Law and no event has occurred which could cause the loss of such registered status, (b) all obligations of the Loan Parties and their Subsidiaries (including fiduciary, funding, investment and administration obligations) required to be performed in connection with the Canadian Pension Plans and the funding agreements relating thereto have been performed on a timely basis, and (c) all contributions, premiums or payments required to be made or paid by the Loan Parties and their Subsidiaries to the Canadian Pension Plans have been made on a timely basis in accordance with the terms of such plans and all applicable Laws.

4.12. Environmental Condition.

(a) Parent, for itself and the other Loan Parties, conducts in the ordinary course of business a review of the effect of existing Environmental Laws relating to remedial obligations and claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Borrowers have reasonably concluded that such effect of existing Environmental Laws relating to remedial actions and claims alleging potential liability or responsibility for violation of any Environmental Law that has, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect (including for this purpose taking into account any reserves).

(b) Except as otherwise set forth in Schedule 4.12 or where such status or condition could not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect: (i) none of the properties currently or, to the knowledge of the Loan Parties, formerly owned or operated by any Loan Party or any of its Subsidiaries is listed or 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; (ii) there are no and have never 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 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 or operated by any Loan Party or any of its Subsidiaries; (iii) there is no asbestos or asbestos-containing material on any property currently owned or operated by any Loan Party or any of its Subsidiaries; (iv) Hazardous Materials have not been released, discharged or disposed of on any property currently owned or operated by any Loan Party or any of its Subsidiaries; (v) neither any Loan Party nor any of its Subsidiaries is undertaking, 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, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and (vi) all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently owned or operated by any Loan Party or any of its Subsidiaries have been disposed of in a manner that would not reasonably expected to result in liability to any Loan Party.

4.13. Reserved.

4.14. Reserved.

4.15. Reserved.

4.16. Complete Disclosure. All factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) furnished by or on behalf of a Loan Party or its Subsidiaries in writing to Agent or any Lender (including all information contained in the Schedules hereto or in the other Loan Documents) for purposes of or in connection with this Agreement or the other Loan Documents, and all other such factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) hereafter furnished by or on behalf of a Loan Party or its Subsidiaries in writing to Agent or any Lender will be, true and accurate, in all material respects, on the date as of which such information is dated or certified and will not omit to state any material fact necessary to make such information (taken as a whole) not misleading in any material respect at such time in light of the circumstances under which such information was provided. The Projections delivered to Agent on January 31, 2013 represent, and as of the date on which any other Projections are delivered to Agent, such additional Projections represent, Borrowers' good faith estimate, on the date such Projections are delivered, of the Loan Parties' and their Subsidiaries' future performance for the periods covered thereby based upon

assumptions believed by Borrowers to be reasonable at the time of the delivery thereof to Agent (it being understood that such Projections are subject to uncertainties and contingencies, many of which are beyond the control of the Loan Parties and their Subsidiaries, that no assurances can be given that such Projections will be realized, and that actual results may differ in a material manner from such Projections).

4.17. Reserved.

4.18. Patriot Act. To the extent applicable, each Loan Party is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA Patriot Act of 2001) (the "Patriot Act"); and (c) the Proceeds of Crime Money Laundering and Terrorist Finance Act (Canada) and the regulations promulgated thereunder. No part of the proceeds of the loans made hereunder will be used by any Loan Party or any of their Affiliates, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

4.19. Reserved.

4.20. Taxes. All material federal, state, provincial, local and other tax returns required to have been filed with respect to each Loan Party and each Restricted Subsidiary of each Loan Party have been filed (or extensions have been obtained), and payment or adequate provision has been made for the payment of all taxes, fees, assessments and other governmental charges which have or may become due pursuant to said returns or to assessments received, except to the extent that such taxes, fees, assessments and other charges are being contested in good faith by appropriate proceedings diligently conducted and for which such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made.

4.21. Margin Stock. No Loan Party is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock (within the meaning of Regulation U issued by the Federal Reserve Board), or extending credit for the purpose of purchasing or carrying margin stock. No part of the proceeds of the loans made to Borrowers will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors of the United States Federal Reserve.

4.22. Investment Company Act. None of Parent, any Person controlling Parent, or any Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940 or is subject to regulation under the Investment Company Act.

4.23. OFAC. No Loan Party nor any of its Subsidiaries is in violation of any of the country or list based economic and trade sanctions administered and enforced by OFAC. No Loan Party nor any of its Subsidiaries (a) is a Sanctioned Person or a Sanctioned Entity, (b) has its assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities. No proceeds of any Revolving Loan (including any Swing Loan, Protective Advance or Overadvance) or any Letter of Credit will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

4.24. Employee and Labor Matters. There is (i) no unfair labor practice complaint pending or, to the knowledge of Borrowers, threatened against Parent or its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against Parent or its Restricted Subsidiaries which arises out of or under any collective bargaining agreement and that, individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect, (ii) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against Parent or its Subsidiaries that, individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect. Neither Parent nor any of its Restricted Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar Laws, which remains unpaid or unsatisfied. The hours worked and payments made to employees of Parent or its Restricted Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, where such violations have or would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. All material payments due from Parent or its Restricted Subsidiaries on account of wages and employee health and welfare insurance, employer and employee deductions and premiums and other benefits have been paid or accrued as a liability on the books of Parent, where the failure to do so, individually or in the aggregate, has or would reasonably be expected to have a Material Adverse Effect.

4.25. Reserved.

4.26. Eligible Accounts. As to each Account that is identified by any Borrower as an Eligible Account in a US Borrowing Base Certificate or a Canadian Borrowing Base Certificate submitted to Agent, such Account is (a) a bona fide existing payment obligation of the applicable Account Debtor created by the sale and delivery of Inventory or the rendition of services to such Account Debtor in the ordinary course of Borrowers' business, (b) owed to one or more of the Borrowers, and (c) not excluded as ineligible by virtue of one or more of the excluding criteria (other than Agent-discretionary criteria) set forth in the definition of Eligible Accounts.

4.27. Eligible Inventory. As to each item of Inventory that is identified by any Borrower as Eligible Inventory in a US Borrowing Base Certificate or a Canadian Borrowing Base Certificate submitted to Agent, such Inventory is (a) of good and merchantable quality, free from known defects, and (b) not excluded as ineligible by virtue of one or more of the excluding criteria (other than Agent-discretionary criteria) set forth in the definition of Eligible Inventory.

4.28. Locations of Inventory and Equipment. As of the Effective Date, the Inventory and Equipment (other than vehicles or Equipment out for repair) of the Loan Parties are not stored with a bailee, warehouseman, or similar party other than those identified on Schedule 4.28(a) and are otherwise located only at, or in-transit between or to, the locations identified on Schedule 4.28(b).

4.29. Inventory Records. Each Loan Party keeps correct and accurate records in all material respects itemizing and describing the type, quality, and quantity of its Inventory and the book value thereof.

4.30. No Default. No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

4.31. Insurance. The properties of the Loan Parties are insured with financially sound insurance companies, 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 Parent or the applicable Loan Party operates.

4.32. Common Enterprise. Borrowers and Guarantors make up a related organization of various entities constituting a single economic and business enterprise so that Borrowers and Guarantors share an identity of interests such that any benefit received by any one of them benefits the others. Certain Borrowers and Guarantors render services to or for the benefit of the other Borrowers and/or Guarantors, as the case may be, purchase or sell and supply goods to or from or for the benefit of the others, make loans, advances and provide other financial accommodations to or for

the benefit of the other Borrowers and Guarantors (including inter alia, the payment by Borrowers and Guarantors of creditors of the other Borrowers or Guarantors and guarantees by Borrowers and Guarantors of indebtedness of the other Borrowers and Guarantors and provide administrative, marketing, payroll and management services to or for the benefit of the other Borrowers and Guarantors). Borrowers and Guarantors have the same chief executive office, centralized accounting and legal services, certain common officers and directors and generally do not provide consolidating financial statements to creditors.

5. AFFIRMATIVE COVENANTS.

Each Loan Party covenants and agrees that, until termination of all of the Commitments and payment in full of the Obligations, the Loan Parties shall and shall cause each of their Restricted Subsidiaries to comply with each of the following:

5.1. Financial Statements, Reports, Certificates.

(a) (i) Deliver to Agent, with copies to each Lender, each of the financial statements, reports, and other items set forth on Schedule 5.1 no later than the times specified therein, (ii) maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of Parent or such Subsidiary, as the case may be, and (iii) cause each Subsidiary of a Loan Party to have the same fiscal year as Parent.

(b) Documents required to be delivered pursuant to this Section 5.1 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Parent posts such documents, or provides a link thereto on Parent's website on the Internet at the website address listed on Schedule 5.1; or (ii) on which such documents are posted on Parent's behalf on an Internet or intranet website, if any, to which each Lender and Agent have access (whether a commercial, third-party website or whether sponsored by Agent); provided, that: (i) upon the written request of Agent, Parent shall deliver paper copies of such documents to Agent or any Lender that requests Parent to deliver such paper copies until a written request to cease delivering paper copies is given by Agent or such Lender and (ii) Parent shall notify Agent (by telecopier or electronic mail) of the posting of any such documents and provide to Agent by electronic mail electronic versions (i.e., soft copies) of such documents. Notwithstanding anything contained herein, in every instance Parent shall be required to provide paper copies of the Compliance Certificates required by this Section 5.1 to Agent. Except for such Compliance Certificates, Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by Parent with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

(c) Parent hereby acknowledges that (i) Agent and/or the Arrangers will make available to the Lenders materials and/or information provided by or on behalf of Parent hereunder (collectively, "Borrower Materials") by posting Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (ii) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with

respect to Parent 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. Parent hereby agrees that so long as Parent is the issuer of any outstanding debt or equity securities that are registered or issued pursuant to a private offering or is actively contemplating issuing any such securities it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (A) 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; (B) by marking Borrower Materials "PUBLIC," Parent shall be deemed to have authorized Agent, the Arrangers 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 Parent or its securities for purposes of United States federal and state securities laws (provided, that, to the extent such Borrower Materials constitute Confidential Information, they shall be treated as set forth in Section 17.9); (C) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (D) Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information."

5.2. Collateral Reporting. Provide Agent (and if so requested by Agent, with copies for each Lender) with each of the reports set forth on Schedule 5.2 at the times specified therein. In addition, each Borrower agrees to use commercially reasonable efforts in cooperation with Agent to facilitate and establish a system of electronic collateral reporting in order to provide electronic reporting of each of the items set forth on such Schedule.

5.3. Existence. Except as otherwise permitted under Section 6.3 or Section 6.4, at all times maintain and preserve in full force and effect its existence (including being in good standing in its jurisdiction of organization) and all rights and franchises, licenses and permits material to its business where the failure to do so has or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; provided, that, no Loan Party or any of its Restricted Subsidiaries shall be required to preserve any such right or franchise, licenses or permits if such Person's Board of Directors (or similar governing body) shall determine that the failure to preserve it could not reasonably be expected to result in a Material Adverse Effect.

5.4. Maintenance of Properties. Maintain and preserve all of its assets that are necessary for the proper conduct of its business in good working order and condition, except for (a) ordinary wear, tear, and casualty, (b) Permitted Dispositions, or (c) in the case of assets other than the First Lien Collateral where the failure to do so has or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and comply with the provisions of all leases to which it is a party as lessee, so as to prevent the loss or forfeiture thereof, (i) unless such provisions are the subject of a Permitted Protest, or (ii) where the failure to so comply has or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.5. Taxes. Cause all assessments and taxes imposed, levied, or assessed against any Loan Party or its Subsidiaries, or any of their respective assets or in respect of any of its income, businesses, or franchises to be paid in full, before delinquency or before the expiration of any extension period, except to the extent that the validity of such assessment or tax shall be the subject of a Permitted Protest and so long as, in the case of an assessment or tax that has become a Lien against any of the Collateral, such contest proceedings conclusively operate to stay the sale of any portion of the Collateral to satisfy such assessment or tax. Parent will and will cause each of its Subsidiaries to make timely payment or deposit of all tax payments and withholding taxes required of it and them by applicable laws, including those laws concerning F.I.C.A., F.U.T.A., state disability, and local, state, provincial and federal income taxes, and will, upon request, furnish Agent with proof reasonably satisfactory to Agent indicating that each Loan Party and its Subsidiaries have made such payments or deposits.

5.6. Insurance. At Borrowers' expense, maintain insurance respecting each of the Loan Parties' assets wherever located, covering liabilities, losses or damage as customarily are insured against by other Persons engaged in the same or similar businesses. All such policies of insurance shall be with financially sound insurance companies and in such amounts (after giving effect to any self-insurance maintained consistent with the standards provided for herein) as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located and in any event, as to any First Lien Collateral, in amounts, adequacy and scope reasonably satisfactory to Agent (and Agent acknowledges that based on the information provided to it on or prior to the date hereof with respect thereto, as to insurance coverage for the First Lien Collateral in effect on the date hereof, the amounts, adequacy and scope are reasonably satisfactory to it). All property insurance policies covering the Collateral are to be made payable to Agent, as its interests may appear, in case of loss, pursuant to a standard loss payable endorsement with a standard noncontributory "lender" or "secured party" clause and are to contain such other provisions as Agent may reasonably require to fully protect the Lenders' interest in the Collateral and to any payments to be made under such policies. All certificates of property and general liability insurance are to be delivered to Agent, with the loss payable (but only in respect of Collateral) and additional insured endorsements in favor of Agent and shall provide for not less than thirty (30) days (ten (10) days in the case of non-payment) prior written notice to Agent of the exercise of any right of cancellation. If any Borrower fails to maintain such insurance, Agent may arrange for such insurance, but at such Borrower's expense and without any responsibility on Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Borrowers shall give Agent prompt notice of any loss exceeding $3,000,000 covered by its casualty or business interruption insurance. Upon the occurrence and during the continuance of an Event of Default, Agent shall have the sole right to file claims under any property and general liability insurance policies in respect of the Collateral, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

5.7. Inspection, Field Examinations, and Appraisals. Permit Agent and each of its duly authorized representatives or agents to visit any of its properties and inspect any of its assets or books and records, to conduct appraisals and valuations, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers and employees at such reasonable times and intervals as Agent may designate and, so long as no Event of Default exists and is continuing, with reasonable prior notice to Administrative Borrower all at such times and intervals as Agent may request, all at Borrower's expense, in each case subject to Section 17.9; provided, that, (a) as to field examinations, there shall be (i) no more than one (1) field examination in any twelve (12) month period at the expense of Borrowers so long as (A) Excess Availability during such twelve (12) month period is not less than twenty percent (20%) of the Maximum Credit or (B) US Excess Availability is not less than seventeen and one-half percent (17.5%) of the Maximum Credit for any three (3) consecutive Business Days during such twelve (12) month period, (ii) no more than three (3) field examinations in any twelve (12) month period at the expense of Borrowers if at any time Excess Availability or US Excess Availability during such twelve (12) month period is less than the applicable amount specified in clause (a)(i) above, and (iii) such other field examinations as Agent may request at any time an Event of Default exists or has occurred and is continuing at the expense of Borrowers or otherwise at any other times during usual business hours and upon reasonable prior notice at the expense of Agent and Lenders to conduct such field examinations in accordance with Agent's customary practices and procedures and (b) as to appraisals, there shall be (i) no more than one (1) appraisal of each type of Collateral in any twelve (12) month period at the expense of Borrowers so long as (A) Excess Availability during such twelve (12) month period is not less than fifteen percent (15%) of the Maximum Credit or (B) US Excess Availability is not less than twelve and one-half percent (12.5%) of the Maximum Credit for any three (3) consecutive Business Days during such twelve (12) month period, (ii) no more than two (2) appraisals of each type of Collateral in any twelve (12) month period at the expense of Borrowers if at any time Excess Availability or US Excess Availability during such twelve (12) month period is less than the applicable amount specified in clause (b)(i) above, and (c) such other appraisals as Agent may request at any time a Default or an Event of Default exists or has occurred and is continuing at the expense of Borrowers or otherwise at any other times during usual business hours and upon reasonable prior notice at the expense of Agent and Lenders, with such appraisals to be performed in accordance with Agent's customary practices and procedures.

5.8. Compliance with Laws. Comply with the requirements of all applicable laws, rules, regulations, and orders of any Governmental Authority, other than laws, rules, regulations, and orders the non-compliance with which, individually or in the aggregate, has, or could reasonably be expected to have, a Material Adverse Effect.

5.9. Environmental.

(a) Keep any property either owned or operated by Parent or its Subsidiaries free of any Environmental Liens or post bonds or other financial assurances sufficient to satisfy the obligations or liability evidenced by such Environmental Liens where the failure to do so, individually or in the aggregate, has or would reasonably be expected to have a Material Adverse Effect,

(b) Comply with Environmental Laws where the failure to do so, individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect, and provide to Agent documentation of such compliance which Agent reasonably requests,

(c) Promptly notify Agent of any release of which any Borrower has knowledge of a Hazardous Material in any reportable quantity from or onto property owned or operated by Parent or its Subsidiaries where any such release, individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect, and take any Remedial Actions required to abate said release or otherwise to come into compliance with applicable Environmental Law where the failure to do so, individually or in the aggregate, has or would reasonably be expected to have a Material Adverse Effect, and

(d) Promptly, but in any event within five (5) Business Days of its receipt thereof, provide Agent with written notice of any of the following: (i) notice that an Environmental Lien has been filed against any of the real or personal property of Parent or its Subsidiaries, (ii) commencement of any Environmental Action or written notice that an Environmental Action will be filed against Parent or its Subsidiaries, and (iii) written notice of a violation, citation, or other administrative order from a Governmental Authority where any such violation, citation or other administrative order, individually or in the aggregate, has or could reasonably be expected to have a Material Adverse Effect.

5.10. Reserved.

5.11. Further Assurances.

(a) At the time that any Loan Party forms any direct or indirect Subsidiary or acquires any direct or indirect Subsidiary (other than a Subsidiary organized or incorporated under the laws of a jurisdiction other than a State of the United States, the United States, the District of Columbia, or a Province or Territory of Canada or Canada and other than any Excluded Subsidiary or an Unrestricted Subsidiary) after the Effective Date, such Loan Party shall (i) within thirty (30) days of such formation or acquisition (or such later date as permitted by Agent in its sole discretion) cause any such new Subsidiary to provide to Agent a joinder agreement to this Agreement, the Guaranty and the Security Agreement, together with such other security documents, appropriate financing statements, and supplements and amendments hereto, all in form and substance reasonably satisfactory to Agent (including being sufficient to grant

Agent a first priority Lien (subject to Permitted Liens) in and to the assets of such newly formed or acquired Subsidiary constituting First Lien Collateral, and a second priority Lien (subject to Permitted Liens) in and to the assets of such newly formed or acquired Subsidiary constituting Second Lien Collateral, in each case, including to make such Subsidiary a party to this Agreement as a "Borrower" if so agreed by Administrative Borrower and Agent, and otherwise as a "Guarantor"; provided, that, the foregoing shall not be required to be provided to Agent with respect to any Subsidiary of any Loan Party that is an Excluded Subsidiary, (ii) within thirty (30) days of such formation or acquisition (or such later date as permitted by Agent in its sole discretion) provide to Agent a pledge agreement (or an addendum to the Security Agreement or Canadian Security Documents) and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary reasonably satisfactory to Agent; provided, that, only sixty-five percent (65%) of the total outstanding voting Equity Interests of any first tier Subsidiary of any Loan Party that is a CFC (and none of the Equity Interests of any Subsidiary of such CFC) shall be required to be pledged, and (iii) within sixty (60) days of such formation or acquisition (or such later date as permitted by Agent in its discretion) provide to Agent all other documentation, including one or more opinions of counsel reasonably satisfactory to Agent, which in its opinion is appropriate with respect to the execution and delivery of the applicable documentation referred to above.

(b) At any time upon the reasonable request of Agent, execute or deliver to Agent any and all financing statements, security agreements, pledges, assignments, endorsements of certificates of title, opinions of counsel, and all other documents (the "Additional Documents") that Agent may reasonably request in form and substance reasonably satisfactory to Agent, to create, perfect, and continue perfected or to perfect Agent's Liens in all of the assets of Parent and its Subsidiaries constituting Collateral (whether now owned or hereafter arising or acquired, tangible or intangible, real or personal), other than Excluded Subsidiaries and Unrestricted Subsidiaries, and in order to fully consummate all of the transactions contemplated hereby and under the other Loan Documents. To the maximum extent permitted by applicable law, if Parent or any of its Subsidiaries (other than Excluded Subsidiaries and Unrestricted Subsidiaries) refuses or fails to execute or deliver any reasonably requested Additional Documents related to any Collateral within a reasonable period of time following the request to do so, Parent (on behalf of itself and such Subsidiaries) hereby authorizes Agent to execute any such Additional Documents to the extent related to Collateral in the applicable Loan Party's or such Subsidiary's name, as applicable, and authorizes Agent to file such executed Additional Documents in any appropriate filing office. In furtherance and not in limitation of the foregoing, each Loan Party shall take such actions as Agent may reasonably request from time to time so that the Obligations are guaranteed by the Guarantors and are secured by substantially all of the Collateral of Parent and its Subsidiaries (other than the Excluded Subsidiaries and Unrestricted Subsidiaries) to the extent of, and in any event subject to, the exceptions and limitations provided for herein.

5.12. Second Lien Collateral.

(a) If at any time any Loan Party (other than an Excluded Subsidiary or an Unrestricted Subsidiary) grants a Lien to any Person on any of such Loan Party's Equipment or Real Property as security for any Indebtedness incurred by such Loan Party to such Person (any such Person providing Indebtedness to a Loan Party is hereinafter referred to as a "Fixed Asset

Lender"), such Loan Party will, contemporaneously with such grant, (i) grant a Lien to Agent on such Equipment or Real Property (other than (a) the Spartech Fixed Assets and (b) Equipment or Real Property securing Permitted Purchase Money Indebtedness), junior only to the Lien granted to such Fixed Asset Lender on such Equipment or Real Property and other Permitted Liens, (ii) execute and/or deliver to Agent any and all financing statements, fixture filings, security agreements, mortgages, deeds of trust, hypothecs, charges, opinions of counsel, evidence of corporate (or other applicable) authority, and all other documents (the "Additional Second Lien Documents") that Agent may reasonably request in form and substance reasonably satisfactory to Agent, to create, perfect, and continue perfected, Agent's Lien in such Equipment or Real Property (other than (a) the Spartech Fixed Assets and (b) Equipment or Real Property securing Permitted Purchase Money Indebtedness), and (iii) execute and deliver to Agent, and cause to be executed and delivered to Agent by the applicable Fixed Asset Lender, an intercreditor agreement with respect to such Liens, in form and substance reasonably acceptable to Agent, or, in the case of Liens granted to a Fixed Asset Lender on the Spartech Fixed Assets, a mortgagee's waiver with respect to such Spartech Fixed Assets, in form and substance reasonably acceptable to Agent. Any Equipment or Real Property that is subjected to a Lien in favor of a Fixed Asset Lender is hereinafter referred to as "Second Lien Collateral").

(b) If any Second Lien Collateral consists of Material Real Property, the Additional Second Lien Documents will include, in addition to those specified in clause (a) above, policies of title insurance, ALTA surveys, and such additional documentation as Agent shall reasonably require in connection with the creation, perfection and priority of Agent's Lien on such Material Real Property. In addition, if any portion of any Mortgaged Property is at any time located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a special flood hazard area with respect to which flood insurance has been made available under the National Flood Insurance Act of 1968 (as now or hereafter in effect or any successor act thereto), then Parent shall, or shall cause each Loan Party to, maintain, or cause to be maintained, with a financially sound insurer, flood insurances with respect to such Mortgaged Property, as required by applicable Laws.

(c) Nothing contained in this Section 5.12 shall constitute a consent to the incurrence by any Loan Party of any Indebtedness other than Permitted Indebtedness or the existence of any Lien other than Permitted Liens.

5.13. Location of Inventory and Equipment. Keep each Loan Parties' Inventory and Equipment (other than vehicles, Inventory and Equipment out for repair or in-transit) only at the locations identified on Schedule 4.28(a) and 4.28(b) and their chief executive offices only at the locations identified on Schedule 4.6(b) and any other locations, provided, that, (a) with respect to any location where Inventory or Equipment of the Loan Parties with a value in excess of $250,000 is or is to be located, Administrative Borrower shall provide written notice to Agent not less than ten (10) days prior to the date on which such Inventory or Equipment is moved to such new location or such chief executive office is relocated, (b) in the case of US Loan Parties, such new location is within the continental United States and in the case of Canadian Loan Parties, such new location is within Canada, (c) the aggregate amount of all Inventory at locations where Agent has not received such notice shall not exceed $2,500,000 and (d) at the time of such written notification, such Borrower uses its commercially reasonable efforts to provide Agent a Collateral Access Agreement with respect thereto. Borrowers agree that, except as Agent may otherwise determine, any Inventory at such new locations for which Agent has not received such written notice, shall not constitute Eligible Inventory.

5.14. Applications under Insolvency Statutes. Each Loan Party acknowledges that its business and financial relationships with Agent and Lenders are unique from its relationship with any other of its creditors, and agrees that it shall not file any plan of arrangement under the CCAA or make any proposal under the BIA which provides for, or would permit directly or indirectly, Agent or any Lender to be classified with any other creditor as an "affected" creditor for purposes of such plan or proposal or otherwise.

5.15. Preparation of Environmental Reports. If the Required Lenders have a reasonable basis to believe, based on information that is publicly available or provided to the Administrative Agent or the Lenders, that a material Environmental Liability has arisen at or in connection with any Mortgaged Property, then at the written request of the Required Lenders, the Borrower shall cause to be prepared an environmental site assessment report for any such Mortgaged Property described in such request, prepared by an environmental consulting firm reasonably acceptable to the Administrative Agent, indicating the presence or absence of Hazardous Materials and the estimated cost of any compliance, removal or remedial action required under any applicable Environmental Law in connection with any Hazardous Materials on such properties.

5.16. Post-Closing Matters. Execute and deliver the documents and complete the tasks set forth on Schedule 5.16, in each case within the time limits specified on such schedule (unless Agent, in its reasonable discretion, shall have agreed to any particular longer period).

6. NEGATIVE COVENANTS.

Each Loan Party covenants and agrees that, until termination of all of the Commitments and payment in full of the Obligations, the Loan Parties will not and will not permit any of their Restricted Subsidiaries to do any of the following:

6.1. Indebtedness. Create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

6.2. Liens. Create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

6.3. Restrictions on Fundamental Changes.

(a) Merge, dissolve, liquidate, consolidate or amalgamate with or into another Person, or dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, except that, so long as on the date of any of the foregoing and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing:

(i) (A) any Non-Loan Party may merge, consolidate, amalgamate or liquidate with or into another Non-Loan Party, whether to effect a corporation reorganization or otherwise and (B) any Non-Loan Party or any Loan Party may merge, consolidate, amalgamate or liquidate with or into another Loan Party, including any such merger, consolidation or amalgamation, the purpose of which is to effect a corporate reorganization or to change the jurisdiction of Parent or any Subsidiary, so long as (1) in the case of any merger, consolidation or amalgamation of a Loan Party with a Non-Loan Party, the Loan Party is the surviving corporation and (2) in any merger, consolidation or amalgamation of a US Loan Party the survivor remains organized under the laws of a State within the United States and in the case of any Canadian Loan Party the survivor remains organized under the laws of a jurisdiction in Canada, and in any case the Loan Parties are in compliance with, and comply with, the Loan Documents,

(ii) any Loan Party may sell or otherwise dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to Parent or to another Loan Party,

(iii) any Non-Loan Party may dispose of all or substantially all its assets (including any disposition that is in the nature of a liquidation) to (A) another Non-Loan Party or (B) to a Loan Party, provided, that, other than Eligible Acquired Business Accounts and Eligible Acquired Business Inventory, any Accounts or Inventory acquired by a Borrower pursuant to such disposition shall not be Eligible Accounts or Eligible Inventory until such time as Agent shall have completed an Acceptable Field Exam with respect thereto and, in the case of Inventory of an Acquired Business, an Inventory appraisal, and such other due diligence reasonably requested by Agent, in a manner and with results reasonably satisfactory to Agent,

(iv) Parent and its Subsidiaries may consummate the Spartech Acquisition, subject to the provisions of clause (x) of the definition of the term Permitted Investments,

(v) in connection with any Permitted Acquisition, any Subsidiary of Parent may merge into, or consolidate or amalgamate with, any other Person or permit any other Person to merge into, or consolidate or amalgamate with, it; provided that (A) the Person surviving such merger, consolidation or amalgamation shall be a Subsidiary of Parent and (B) in the case of any such merger, consolidation or amalgamation to which any Loan Party (other than Parent) is a party, such Loan Party is the surviving Person, and

(vi) Parent and its Subsidiaries may consummate any Permitted Disposition, or

(b) suspend or terminate all or a substantial portion of its or their business, except as permitted pursuant to this Section 6.3 or in connection with the transactions permitted pursuant to Section 6.4.

6.4. Disposal of Assets. Convey, sell, lease, license, assign, transfer, or otherwise dispose of any assets of Parent or any of its Restricted Subsidiaries, except for Permitted Dispositions or transactions expressly permitted by Sections 6.3 or 6.11.

6.5. Nature of Business. Engage in any business or activity if as a result thereof, the general nature of the business of Parent and its Restricted Subsidiaries, taken as a whole, would be changed in any material respect from the general nature of the business engaged in by them as of the Effective Date; provided, however, that the foregoing shall not prevent the acquisition by Parent or any of its Restricted Subsidiaries of, or the entry by Parent or any of its Restricted Subsidiaries into, any line of business that is related, complementary or a logical extension to the business in which they are engaged on the Effective Date.

6.6. Certain Payments of Debt and Amendments.

(a) Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner (including by sinking fund payment or other acquisition for value), or otherwise set aside or deposit funds with a trustee therefor or hold restricted cash for such purpose before the date required for the purpose of paying any portion of such Indebtedness when due) any of its Indebtedness, or make any payment in violation of any subordination terms of any Indebtedness, except with respect to:

(i) the Indebtedness hereunder or under the other Loan Documents,

(ii) as to payments in respect of any other Permitted Indebtedness not subject to the provisions below in this Section 6.6, regularly scheduled or mandatory repayments or redemptions as and when due in respect of such Indebtedness in accordance with the terms thereof (and in the case of Subordinated Debt if such payment is permitted at such time under the subordination terms and conditions set forth therein or applicable thereto),

(iii) the Indebtedness of any Non-Loan Party,

(iv) [**Reserved**],

(v) optional prepayments and redemptions of Indebtedness; provided, that, as to any such optional prepayment or redemption, each of the following conditions is satisfied:

(A) as of the date of such optional prepayment or redemption, and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing,

(B) (1) the daily average of the Excess Availability during the immediately preceding forty-five (45) consecutive day period shall have been not less than twenty percent (20%) of the Maximum Credit, (2) the Excess Availability at all times time during the immediately preceding forty-five (45) consecutive day period shall have been not less than ten percent (10%) of the Maximum Credit, (3) the daily average of the US Excess Availability during the immediately preceding forty-five (45) consecutive day period shall have been not less than fifteen percent (15%) of the Maximum Credit and (4) the US Excess Availability at all times time during the immediately preceding forty-five (45) consecutive day period shall have been not less than ten percent (10%) of the Maximum Credit, and after giving effect to any such payment in respect thereof, on a pro forma basis using the most recent calculation of the Borrowing Base immediately prior to any such payment, the Excess Availability and the US Excess Availability shall be not less than the applicable amounts specified above,

(C) Agent shall have received reasonably satisfactory monthly projections for the period that is the lesser of six (6) months or until the end of the then current fiscal year after the date of such payment showing, on a pro forma basis after giving effect to the payment, (1) minimum Excess Availability at all times during such period of not less than twenty percent (20%) of the Maximum Credit and (2) minimum US Excess Availability at all times during such period of not less fifteen percent (15%) of the Maximum Credit; provided, that, this clause (C) shall not be applicable so long as: (x) the amount of any such prepayment or redemption is less than $20,000,000 and the aggregate amount of all such optional prepayments or redemption in any fiscal year of Parent are less than $30,000,000 and (y) at the time of making any such optional prepayment or redemption, the sum of the Excess Availability plus Qualified Cash is greater than $150,000,000, and

(D) Agent shall have received prior written notice of any such prepayment or redemption specifying the Indebtedness such prepayment or redemption is related to, the amounts and the anticipated date of the prepayment or redemption, provided, that, this clause (D) shall not be applicable so long as: (x) the amount of any such prepayment or redemption is less than $20,000,000 and the aggregate amount of all such optional prepayments or redemption in any fiscal year of Parent are less than $30,000,000 and (y) at the time of making any such optional prepayment or redemption, the sum of the Excess Availability plus Qualified Cash is greater than $150,000,000,

(vi) so long as no Default or Event of Default exists or has occurred and is continuing, optional prepayments of principal in respect of Indebtedness evidenced by the 2015 Notes,

(vii) the termination, satisfaction or defeasance of the Series G Guarantee,

(viii) prepayments in respect of Indebtedness with proceeds of Refinancing Indebtedness as permitted in the definition of the term Permitted Indebtedness,

(ix) optional prepayments and redemptions of Indebtedness solely with the proceeds of the issuance and sale of Equity Interests of Parent, provided, that, as of the date of any such prepayment or redemption, and after giving effect thereto, no Event of Default shall exist or have occurred and be continuing, and

(x) optional prepayments by a Loan Party of Indebtedness owing to another Loan Party, optional prepayments by a Non-Loan Party of Indebtedness owing to another Non-Loan Party and optional prepayments by a Non-Loan Party of Indebtedness owing to a Loan Party.

(b) directly or indirectly, to amend, modify, or change (or permit the amendment, modification or other change in any manner of) any of the terms or provisions of:

(i) any agreements, documents or instruments in respect of any Subordinated Debt or any agreements related to the Indebtedness permitted under clauses (b), (o), and (p) of the definition of Permitted Indebtedness, except (A) to the extent permitted under any intercreditor or subordination agreement applicable thereto or (B) with written notice to Agent prior to or contemporaneously therewith, any amendment, modification or other change to the terms thereof to make the terms thereof in any manner materially adverse to Agent or Lenders taken as a whole (it being understood that if the Weighted Average Life to Maturity of such Indebtedness after giving effect thereto is less than the Weighted Average Life to Maturity immediately prior to giving effect thereto in any material respect, or if the change is to make the covenants and events of default more restrictive or burdensome, in each case in any material respect taken as a whole as to any such amendments effective at or about the same time, or to adversely affect the ability of a Loan Party to borrow hereunder or to amend, modify, renew or supplement the terms of this Agreement or any of the other Loan Documents, it shall in any event be so materially adverse) and in the case of Subordinated Debt, only after prior written notice to Agent, or

(ii) the Governing Documents of any Loan Party, except for amendments, modifications or other changes that are not materially adverse to Agent and Lenders taken as a whole and do not adversely affect in any material respect the ability of a Loan Party to borrow hereunder or to amend, modify, renew or supplement the terms of this Agreement or any of the other Loan Documents.

6.7. Burdensome Agreements. Enter into or permit to exist any encumbrance or restriction (other than this Agreement or any other Loan Document, or documents governing the 2015 Notes, the 2020 Notes, the Current Notes and the Series G Guarantee) that (a) limits the ability (i) of any Subsidiary to make Restricted Payments to any Loan Party or to otherwise transfer property to or invest in any Loan Party, (ii) of any Subsidiary to guarantee the Indebtedness of any Loan Party or (iii) of Parent or any Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person; provided, that, this clause (iii) shall not prohibit any negative pledge incurred or provided in favor of any holder of Permitted Purchase Money Indebtedness solely to the extent any such negative pledge relates to the property financed by or the subject of such Indebtedness; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person; provided, that, this Section 6.7 shall not prohibit (i) restrictions contained in any agreement in effect (A) (1) on the date hereof and set forth on Schedule 6.7 and (2) to the extent the restrictions permitted by clause (1) are set forth in an agreement evidencing Indebtedness, are set forth in any agreement evidencing any Refinancing Indebtedness in respect of such Indebtedness so long as such renewal, extension or refinancing does not expand the scope of the restrictions described in clause (a) or (b) that are contained in such agreement or (B) at the time any Subsidiary becomes a Subsidiary of Parent, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of Parent, (ii) restrictions that are binding on a Restricted Subsidiary at the time such Restricted Subsidiary first becomes a Restricted Subsidiary, so long as such restriction was not entered into in contemplation of such Person becoming a Restricted Subsidiary, (iii) restrictions that arise in connection with any Permitted Disposition, (iv) are customary provisions in joint venture agreements and other similar agreements applicable to joint ventures constituting Permitted Investments, (v) any restrictions imposed by any agreement related to Indebtedness constituting Permitted Indebtedness under clause (r) of the definition of such term or Refinancing Indebtedness with respect thereto, to the extent such restrictions are not more restrictive, taken as a whole, than the restrictions contained in this Agreement and in any event permit Liens on the Collateral to secure the Obligations, (vi) are customary restrictions on leases, subleases, licenses or asset sale agreements otherwise permitted hereby so long as such restrictions may relate to the assets subject thereto, (vii) comprise restrictions or Liens imposed by any agreement relating to Permitted Purchase Money Indebtedness to the extent that such restrictions apply only to the property or assets securing such Indebtedness or (viii) are customary provisions restricting subletting or assignment of any lease governing a leasehold interest.

6.8. Restricted Payments. Declare or make, or pay, directly or indirectly, any Restricted Payment, except:

(a) each Restricted Subsidiary of Parent may make Restricted Payments to a Loan Party,

(b) each Non-Loan Party may make Restricted Payments to another Non-Loan Party or to a Loan Party,

(c) Parent and each Subsidiary may declare and make dividend payments or other distributions payable solely in Equity Interests of such Person (other than Disqualified Equity Interests),

(d) Parent and each Subsidiary may purchase, redeem or otherwise acquire its common Equity Interests with the proceeds received from the substantially concurrent issue of new common Equity Interests,

(e) any Subsidiary of Parent may pay or make distributions to Parent that are used to make substantially contemporaneous payments to, and Parent may make payments to, repurchase or redeem Equity Interests and options to purchase Equity Interests of Parent held by officers, directors or employees or former officers, directors or employees (or their transferees, estates or beneficiaries under their estates) of Parent pursuant to any management equity subscription agreement, employee agreement or stock option agreement or other agreement with such officer, director or employee or former officer, director or employee; provided, that, the aggregate cash consideration paid for all such payments, repurchases or redemptions shall not in any fiscal year of Parent exceed $2,000,000,

(f) Parent may repurchase its Equity Interests to the extent such repurchase is deemed to occur upon (i) the non-cash exercise of stock options to the extent such Equity Interests represents a portion of the exercise price of such options and (ii) the withholding of a portion of such Equity Interests to pay taxes associated therewith,

(g) the purchase of fractional shares of Equity Interests of Parent or any Subsidiary arising out of stock dividends, splits or combinations or business combinations,

(h) Loan Parties may make other Restricted Payments not otherwise expressly provided for in this Section 6.8 in the case of any such Restricted Payments, provided, that, each of the following conditions is satisfied:

(i) as of the date of such Restricted Payment, and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing,

(ii) (A) the daily average of the Excess Availability during the immediately preceding forty-five (45) consecutive day period shall have been not less than twenty percent (20%) of the Maximum Credit, (B) the Excess Availability at all times during the immediately preceding forty-five (45) consecutive day period shall have been not less than ten percent (10%) of the Maximum Credit, (C) the daily average of the US Excess Availability during the immediately preceding forty-five (45) consecutive day period shall have been not less than fifteen percent (15%) of the Maximum Credit, and (D) the US Excess Availability at all times during the immediately preceding forty-five (45) consecutive day period shall have been not less than ten percent (10%) of the Maximum Credit, and after giving effect to any such Restricted Payment in respect thereof, on a pro forma basis using the most recent calculation of the Borrowing Base immediately prior to any such payment, the Excess Availability and the US Excess Availability shall be not less than the applicable amounts specified above,

(iii) Agent shall have received reasonably satisfactory monthly projections for the period that is the lesser of six (6) months or until the end of the then current fiscal year after the date of such Restricted Payment showing, on a pro forma basis after giving effect to the Restricted Payment, (A) minimum Excess Availability at all times during such period of not less than twenty percent (20%) of the Maximum Credit and (B) minimum US Excess Availability at all times during such period of not less fifteen percent (15%) of the Maximum Credit, provided, that, this clause (iii) shall not be applicable in respect of the repurchase by Parent of its Equity Interests so long as the aggregate amount of all such Restricted Payments in the 2013 and 2014 fiscal years of Parent are less than the lesser of $250,000,000 and the fair market value of 10,000,000 shares of common Equity Interests of Parent, or are less than $40,000,000 in any fiscal year after the 2014 fiscal year, and

(iv) Agent shall have received prior written notice of any such Restricted Payment specifying the amounts, the type of payment (such as dividend, repurchase of shares, redemption of shares or other type), the shares in respect of which the dividend is being paid or the shares that are being repurchased or redeemed and the anticipated date of the payment (or, if prior written notice is not required pursuant to the following proviso, Administrative Borrower shall use commercially reasonable efforts to provide Agent notice within five (5) Business Days after such Restricted Payment is made), provided, that, (A) the prior written notice required under this clause (iv) shall not be applicable so long as the aggregate amount of all such Restricted Payments made during the 2013 and 2014 fiscal years of Parent are less than the lesser of $250,000,000 and the fair market value of 10,000,000 shares of common Equity Interests of Parent, (B) at all times after the aggregate amount of all such Restricted Payments made during the 2013 and 2014 fiscal years of Parent exceeds $40,000,000, Agent shall receive written notice from Administrative Borrower within three (3) Business Days after the end of each month during the 2013 and 2014 fiscal years of Parent, of all such Restricted Payments made during such month and (C) the prior written notice required under this clause (iv) shall not be applicable in any of the 2015, 2016, 2017 or 2018 fiscal years of Parent, so long as the aggregate amount of all such Restricted Payments made during such fiscal year are less than $40,000,000;

provided, that if a Restricted Payment under this clause (h) constituting a dividend would satisfy the foregoing conditions at the time such Restricted Payment is declared by Parent, it may be paid by Parent within 100 days of the date of declaration, regardless of whether the foregoing conditions would be satisfied at the time of payment, provided, that the full amount of such Restricted Payment has been the subject of a reserve thereof from the time of declaration through the time of payment, to the extent required under Section 2.1(e) of the Agreement, and

(i) any transaction permitted under Section 6.3 or a Permitted Disposition to the extent constituting a Restricted Payment.

6.9. Accounting Methods. Modify or change its fiscal year or its method of accounting (other than as may be permitted under, and in accordance with, GAAP); provided, that, in the event of any such modification or change to the method of accounting after the date hereof that affects the covenants in Section 7 hereof, Administrative Borrower may by notice to Agent, or Agent may, and at the request of Required Lenders shall, by notice to Administrative Borrower request that Agent and Administrative Borrower negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such modification or change (subject to the approval of the Required Lenders); provided, that, until so amended, (a) such ratio or requirement shall continue to be computed in accordance with the method of accounting under GAAP prior to such modification or change and (b) Administrative Borrower shall provide to Agent and 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 modification or change.

6.10. Investments. Directly or indirectly, make or acquire any Investment, except for Permitted Investments.

6.11. Transactions with Affiliates. Directly or indirectly, enter into any transaction of any kind with an Affiliate of Parent, whether or not in the ordinary course of business, other than on fair and reasonable terms no less favorable to Parent or such Subsidiary than Parent or such Subsidiary would obtain in a comparable arm's length transaction with a Person that is not an Affiliate, except for:

(a) any employment, consulting, severance or compensation arrangement or agreement, employee benefit plan or arrangement, officer or director indemnification agreement or any similar arrangement or other compensation arrangement entered into by Parent or any of its Subsidiaries in the ordinary course of business and payments, issuance of securities or awards pursuant thereto, and including the grant of stock options, restricted stock, stock appreciation rights, phantom stock awards or similar rights to employees and directors in each case approved by the Board of Directors of such Parent or such Subsidiary,

(b) transactions exclusively between or among Loan Parties (or any person becoming a Loan Party upon the consummation of such transaction), and transactions exclusively between or among Non-Loan Parties (or any Person becoming a Subsidiary of Parent upon the consummation of such transaction), provided that such transactions are not otherwise prohibited by this Agreement, and

(c) the direction by Parent of the environmental remediation activities with respect to certain Real Property of Altona Properties Pty Ltd., and including making arrangements for the payment of the costs of remediation with the proceeds of Permitted Investments by Parent and its Subsidiaries in such Person.

6.12. Use of Proceeds. Use the proceeds of any Loan made hereunder for any purpose other than (a) on the Effective Date, (i) to replace by amendment and restatement the Existing Obligations, (ii) to pay transactional fees, costs, and expenses incurred in connection with this Agreement and the other Loan Documents and (b) thereafter, consistent with the terms and conditions hereof, for their lawful and general corporate purposes, including without limitation to finance Permitted Acquisitions, Permitted Investments and the Spartech Acquisition; provided, that no part of the proceeds of the Loans made to Borrowers will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors of the United States Federal Reserve.

6.13. Specified Canadian Pension Plans. Maintain, sponsor, administer, contribute to, participate in or assume or incur any liability in respect of any Specified Canadian Pension Plan, or acquire an interest in any Person if such Person sponsors, administers, contributes to, participates in or has any liability in respect of, any Specified Canadian Pension Plan.

6.14. Designation of Senior Debt. Designate any Indebtedness (other than the Indebtedness under the Loan Documents) of Parent or any of its Subsidiaries as "Designated Senior Debt" (or any similar term) under, and as defined in, any Subordinated Debt.

6.15. 2020 Notes and Current Notes. Permit or give rise to any Indebtedness or obligation that will require the granting of a Lien to holders of the 2020 Notes or the Current Notes.

7. FINANCIAL COVENANTS.

Each Borrower covenants and agrees that, until termination of all of the Commitments and payment in full of the Obligations:

7.1. Fixed Charge Coverage Ratio. At any time that (i) Excess Availability is less than ten percent (10%) of the Maximum Credit for any one (1) Business Day, (b) US Excess Availability is less than seven and one-half percent (7.5%) of the Maximum Credit for any (1) one Business Day, (c) Excess Availability is less than twelve and one-half percent (12.5%) of the Maximum Credit for any three (3) consecutive Business Days or (d) US Excess Availability is less than ten percent (10%) of the Maximum Credit for any three (3) consecutive Business Days, the Fixed Charge Coverage Ratio of Parent and its Subsidiaries (on a consolidated basis), for the most recently ended period of twelve (12) consecutive months for which Agent has received financial statements, shall not be less than 1.00 to 1.00.

8. EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement:

8.1. Non-Payment. Borrowers or any other Loan Party fail to pay when due and payable, or when declared due and payable, (a) all or any portion of the principal of the Obligations (b) pay within three (3) days after the same becomes due, any of the Obligations consisting of interest, or any fee due hereunder, or (iii) pay within five (5) days after the same becomes due, any other amount payable hereunder or under any other Loan Document.

8.2. Specific Covenants. Any Loan Party or any of its Restricted Subsidiaries fails to perform or observe any covenant or other agreement contained in any of (a) Sections 5.1, 5.2, 5.3 (solely as it relates to good standing in its jurisdiction of organization), 5.6, 5.7 (solely if any Borrower refuses to allow Agent or its representatives or agents to visit such Borrower's properties, inspect its assets or books or records, examine and make copies of its books and records, or discuss such Borrower's affairs, finances, and accounts with officers and employees of such Borrower as required by such Section), 5.11(a), or 5.13, of this Agreement, (b) Sections 6.1 through 6.15 of this Agreement, (c) Section 7 of this Agreement, (d) Sections 3.4, 6.2(b) and (d), 6.3 and 6.4 of the Security Agreement, or (e) Sections 3.4, 6.2(b) and (d), 6.3 and 6.4 of the Canadian Security Agreement.

8.3. Other Defaults.

(a) Any Loan Party fails to perform or observe any covenant or other agreement contained in Section 5.13 of this Agreement, and such failure continues for a period of five (5) Business Days in the case of a new location of a chief executive office or of Inventory having a value in excess of $250,000 (or if the Inventory for which Agent has failed to receive notice of the location exceeds $2,500,000 in the aggregate).

(b) Any Loan Party or any of its Restricted Subsidiaries fails to perform or observe any covenant or other agreement contained in this Agreement, or in any of the other Loan Documents, in each case, other than any such covenant or agreement that is the subject of another provision of this Section 8 (in which event such other provision of this Section 8 shall govern), and such failure continues for a period of thirty (30) days after the earlier of (a) an Authorized Officer of any Loan Party becoming aware of such default or (b) receipt by such Loan Party of notice from Agent or any Lender of such default.

8.4. Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith that is qualified as to materiality or Material Adverse Effect shall be incorrect or misleading and any of the same that is not so qualified shall be incorrect or misleading in any material respect, in each case when made or deemed made.

8.5. Cross-Default. Any Loan Party or any of its Restricted Subsidiaries (a) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness (other than Indebtedness hereunder) 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 $35,000,000, or (b) fails to observe or perform any other agreement or condition relating to any such Indebtedness 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 (including the beneficiary or beneficiaries of any Indebtedness arising pursuant to a guarantee, or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause (whether or not exercised), 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 otherwise to become payable or cash collateral in respect thereof to be demanded, provided, that, this Section shall not apply to secured Indebtedness that becomes due (and is paid in full and otherwise discharged within five (5) Business Days of initially becoming due (as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness.

8.6. Insolvency Proceedings, Etc. Any Loan Party or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary) commences any Insolvency Proceeding or any Insolvency Proceeding is commenced against a Loan Party or any of its Subsidiaries and any of the following events occurs: (a) such Loan Party or such Subsidiary consents to the institution of such Insolvency Proceeding against it, (b) the petition commencing the Insolvency Proceeding is not timely controverted, (c) the petition commencing the Insolvency Proceeding is not dismissed within sixty (60) calendar days of the date of the filing thereof, (d) an interim trustee is appointed to take possession of all or any substantial portion of the properties or assets of, or to operate all or any substantial portion of the business of, such Loan Party or its Subsidiary, or (e) an order for relief shall have been issued or entered therein.

8.7. Inability to Pay Debts; Attachment. (a) Any Loan Party or any of its Restricted Subsidiaries becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (b) 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 a stay of enforcement thereof is not in effect.

8.8. Judgments. There is entered against any Loan Party or any of its Restricted Subsidiaries (a) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding $35,000,000 or which in the aggregate with the amounts of any liabilities described in Section 8.9 below, exceeding $50,000,000 (to the extent not covered by independent third-party insurance as to which the insurer has been notified of the potential claim and does not dispute or decline coverage), or (b) any one or more final judgments other than for the payment of money, that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (i) enforcement proceedings are commenced by any creditor upon such judgment or order, (ii) there is a period of thirty (30) consecutive days at any time after the entry of any such judgment, order, or award during which the same is not discharged, satisfied, vacated, or bonded pending appeal, or (iii) a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect.

8.9. ERISA. (a) An ERISA Event occurs which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA in an aggregate amount in excess of the $35,000,000, or which in the aggregate with amounts described in Section 8.8 and Section 8.9(b) below, are in excess of $50,000,000 or (b) any Loan Party 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 in an aggregate amount in excess of $35,000,000, or which in the aggregate with amounts described in Section 8.8 and Section 8.9(a) above, are in excess of $50,000,000.

8.10. Invalidity of Loan Documents. The validity or enforceability of any provisions of any Loan Document shall at any time for any reason (other than solely as the result of an action or failure to act on the part of Agent or other than as a result of a transaction expressly permitted hereunder or after the payment in full of the Obligations) cease to be in full force and effect or be declared to be null and void, or any Loan Party or its Subsidiaries purport to revoke, terminate or rescind any provision of any Loan Document, or a proceeding shall be commenced by a Loan Party or its Subsidiaries, or by any Governmental Authority having jurisdiction over a Loan Party or its Subsidiaries, seeking to establish the invalidity or unenforceability thereof, or a Loan Party or its Subsidiaries shall deny that such Loan Party or its Subsidiaries has any liability or obligation purported to be created under any Loan Document.

8.11. Change of Control. There occurs any Change of Control.

8.12. Collateral Documents. The Security Agreement or any other Loan Document that purports to create a Lien, shall, for any reason, fail or cease to create a valid and perfected and, except to the extent of Permitted Liens that have priority, first priority Lien on (a) any of the First Lien Collateral purported to be covered thereby or (b) Second Lien Collateral, if any, in any one case or in the aggregate as to such Second Lien Collateral under this clause (b), having a fair market value in excess of $35,000,000 (except in each case as a result of a transaction permitted under this Agreement), or the subordination provisions contained in any agreement related to any Subordinated Debt shall cease to be in full force and effect or to give Agent or Lenders the rights, powers and privileges purported to be created thereby.

8.13. Forfeiture of Collateral. The indictment by any Governmental Authority, or indictment threatened in writing, by any Governmental Authority of any Loan Party of which any Loan Party or Agent receives notice, as to which there is a reasonable possibility of an adverse determination, under any criminal statute, or commencement or threatened commencement of criminal or civil proceedings against such Loan Party, in each case pursuant to which statute or proceedings the penalties or remedies sought or available include forfeiture of (a) any of the First Lien Collateral, (b) any of the Second Lien Collateral, in any one case or in the aggregate as to such Second Lien Collateral under this clause (b), having a value in excess of $35,000,000 or (c) any other property of any Loan Party which is necessary or material to the conduct of its business.

9. RIGHTS AND REMEDIES.

9.1. Rights and Remedies. Upon the occurrence and during the continuation of an Event of Default, Agent may, and, at the instruction of the Required Lenders, shall (in each case under clauses (a) or (b) by written notice to Administrative Borrower), in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by applicable law, do any one or more of the following:

(a) declare the Obligations (other than the Bank Product Obligations), whether evidenced by this Agreement or by any of the other Loan Documents immediately due and payable, whereupon the same shall become and be immediately due and payable and Borrowers shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by each Borrower;

(b) declare the Commitments terminated, whereupon the Commitments shall immediately be terminated together with (i) any obligation of any Lender hereunder to make Revolving Loans, (ii) the obligation of Swing Lender to make Swing Loans, and (iii) the obligation of the Issuing Lender to issue Letters of Credit; and

(c) exercise all other rights and remedies available to Agent or the Lenders under the Loan Documents or applicable law.

The foregoing to the contrary notwithstanding, upon the occurrence of any Event of Default described in Section 8.6, in addition to the remedies set forth above, without any notice to any Borrower or any other Person or any act by the Lender Group, the Commitments shall automatically terminate and the Obligations (other than the Bank Product Obligations), inclusive of all accrued and unpaid interest thereon and all fees and all other amounts owing under this Agreement or under any of the other Loan Documents, shall automatically and immediately become due and payable and Borrowers shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or notice of any kind, all of which are expressly waived by each Loan Party.

At any time that (i) there is a "Guarantor Event of Default" (as defined in the Series G Guarantee) or (ii) an "Event of Default" (as defined in the Note Purchase Agreement with respect to the Series G Notes) or (iii) any other event or occurrence that gives rise to the rights or remedies of any holder or holders of the Series G Notes (or party or parties entitled to the benefit of the Series G Guarantee) that are the same (or substantially the same or in any event requires payment under the Series G Guarantee) as the events described in clauses (i) and (ii), or (iv) in the event of the actual exercise by any of the holders of the Series G Notes or other party entitled to the benefit of the Series G Guarantee of any rights or remedies under the terms of the Series G Guarantee or the Series G Guarantee Security Agreement or otherwise as a secured creditor (including as the holder of a judgment lien) of any Loan Party against a material portion of the Collateral (provided, that, such exercise is not subject to any stay or otherwise enjoined at the time of the payment referred to below), Agent may, at its election, or at the direction of Required Lenders shall, (a) in the event that the Company is required to make a payment under Section 2.1 of the Series G Guarantee, make payment of all amounts owing under or in respect of the Series G Guarantee to any such holders or beneficiaries (or agent or other representative of such holders or beneficiaries) or to any court to hold for the benefit of such holders or beneficiaries or (b) in the event of a Guarantor Event of Default, purchase on behalf of the Company the Series G Notes as provided in Section 2.2 of the Series G Guarantee, in which case such Series G Notes shall become the property of the Company. In the event that the payment is a result of a Guarantor Event of Default, then to the extent that such payment may be deemed a purchase of the Series G Notes under Section 2.2 of the Series G Guarantee, the Series G Notes so purchased shall be the property of the Company.

Upon such payment, the amount of the Series G Guarantee Reserve shall be reduced by the amount of such payment and such payment shall be deemed a Revolving Loan hereunder and part of the Obligations, notwithstanding the existence of any Event of Default or the failure of any other condition precedent. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, Agent is authorized by Borrowers and the Lenders to make such Revolving Loans. Such Revolving Loans shall bear interest at the rate applicable to Base Rate Loans.

Loan Parties waive any claims against Agent and Lenders in connection with any such payment and agree not to assert any claims against Agent or any Lender in connection with such payment, except in the case of gross negligence or willful misconduct of Agent or such Lender as determined pursuant to a final, non-appealable order of a court of competent jurisdiction.

9.2. Remedies Cumulative. The rights and remedies of the Lender Group under this Agreement, the other Loan Documents, and all other agreements shall be cumulative. The Lender Group shall have all other rights and remedies not inconsistent herewith as provided under the Code, the PPSA, by law, or in equity. No exercise by the Lender Group of one right or remedy shall be deemed an election, and no waiver by the Lender Group of any Event of Default shall be deemed a continuing waiver. No delay by the Lender Group shall constitute a waiver, election, or acquiescence by it.

9.3. Appointment of a Receiver. Upon the occurrence and during the continuance of an Event of Default, Agent may seek the appointment of a receiver, manager or receiver and manager (a "Receiver") under the Laws of Canada or any province thereof to take possession of all or any portion of the Collateral of any Loan Party or to operate same and, to the maximum extent permitted by law, may seek the appointment of such a Receiver without the requirement of prior notice or a hearing. Any such Receiver shall, to the extent permitted by law, so far as concerns responsibility for his/her acts, be deemed to be an agent of such Loan Party and not Agent and the Lenders, and Agent and the Lenders shall not be in any way responsible for any misconduct, negligence or nonfeasance on the part of any such Receiver, or his/her servants or employees, absent the gross negligence, bad faith or willful misconduct of the Agent or the Lenders as determined pursuant to a final, non-appealable order of a court of competent jurisdiction. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral of any Loan Party, to preserve Collateral of such Loan Party or its value, to carry on or concur in carrying on all or any part of the business of such Loan Party and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral of such Loan Party. To facilitate the foregoing powers, any such Receiver may, to the exclusion

of all others, including a Loan Party, enter upon, use and occupy all premises owned or occupied by a Loan Party wherein Collateral of such Loan Party may be situated, maintain Collateral of a Loan Party upon such premises, borrow money on a secured or unsecured basis and use Collateral of a Loan Party directly in carrying on such Loan Party's business or as security for loans or advances to enable the Receiver to carry on such Loan Party's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by Agent, all money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to Agent. Every such Receiver may, in the discretion of Agent, be vested with all or any of the rights and powers of Agent and the Lenders. Agent may, either directly or through its nominees, exercise any or all powers and rights given to a Receiver by virtue of the foregoing provisions of this paragraph.

9.4. Collection Allocation Mechanism.

(a) On the first date after the Effective Date on which there shall occur an Event of Default under Section 8.6 or the acceleration of Obligations pursuant to Section 9 (the "CAM Exchange Date"), (i) each Lender shall immediately be deemed to have acquired (and shall promptly make payment therefor to the Agent in accordance with Section 2.2(b) or 2.2(e)) participations in the Swing Loans, in an amount equal to such Lender's Pro Rata Share of each US Swing Loan outstanding on such date, (ii) each Lender shall immediately be deemed to have acquired (and shall promptly make payment therefor to the Agent in accordance with Section 2.9) participations in the Obligations with respect to each Letter of Credit in an amount equal to such Lender's Pro Rata Share of the aggregate amount available to be drawn under such Letter of Credit, and (iii) the Lenders shall automatically and without further act be deemed to have exchanged interests in the Revolving Loans and participations in the Swing Loans and Letters of Credit, such that in lieu of the interest of each Lender in each Revolving Loan and the Obligations with respect to each Swing Loan and Letter of Credit in which it shall participate as of such date (including such Lender's interest in the Obligations, Guaranties and Collateral of each Loan Party in respect thereof), such Lender shall hold an interest in every one of the Revolving Loans and a participation in all of the Obligations in respect of Swing Loans and Letters of Credit (including the Obligations, Guaranties and Collateral of each Loan Party in respect thereof), whether or not such Lender shall previously have participated therein, equal to such Lender's CAM Percentage thereof (the foregoing exchange being referred to as the "CAM Exchange"). Each Lender and each Loan Party hereby consents and agrees to the CAM Exchange, and each Lender agrees that the CAM Exchange shall be binding upon its successors and assigns and any person that acquires a participation in its interests in any Revolving Loan or any participation in any Swing Loan or Letter of Credit. Each Loan Party agrees from time to time to execute and deliver to the Agent all such promissory notes and other instruments and documents as the Agent shall reasonably request to evidence and confirm the respective interests of the Lenders after giving effect to the CAM Exchange, and each Lender agrees to surrender any promissory notes originally received by it in connection with its Revolving Loans hereunder to the Agent against delivery of any promissory notes evidencing its interests in the Revolving Loans so executed and delivered; provided, that, the failure of any Loan Party to execute or deliver or of any Lender to accept any such promissory note, instrument or document shall not affect the validity or effectiveness of the CAM Exchange.

(b) As a result of the CAM Exchange, upon and after the CAM Exchange Date, each payment received by Agent pursuant to any Loan Document in respect of any of the Obligations related to the Revolving Loans, the Letters of Credit and the Swing Loans, and all fees, costs and expenses arising out of or related to any of the foregoing, in each case as provided in the Loan Documents, and each distribution made by the Agent in respect of such Obligations, shall be distributed to the Lenders pro rata in accordance with their respective CAM Percentages. Any direct payment received by a Lender upon or after the CAM Exchange Date, including by way of setoff, in respect of an Obligation shall be paid over to the Agent for distribution to the Lenders in accordance herewith.

(c) The provisions of this Section 9.4 are solely an agreement among the Lenders and Agent for the purpose of allocating risk and the Loan Parties have no additional obligations with respect thereto.

(d) For purposes of this Section 9.4, "CAM Percentage" means, as to each Lender, a fraction, expressed as a percentage, of which (i) the numerator shall be the US Dollar Equivalent of the aggregate amount of any Obligations owed to such Lender pursuant to the Loan Documents in respect of Revolving Loans, Letters of Credit and Swing Loans (including, without duplication, as to participations in Letters of Credit and Swing Loans), and fees, costs and expenses with respect to any of the foregoing, whether or not then due and payable, in each case immediately prior to the CAM Exchange Date, and (ii) the denominator shall be the US Dollar Equivalent of the aggregate amount of any Obligations owed to Lenders pursuant to the Loan Documents in respect of Revolving Loans, Letters of Credit and Swing Loans (including, without duplication, as to participations in Letters of Credit and Swing Loans), and fees, costs and expenses with respect to any of the foregoing, whether or not then due and payable, in each case immediately prior to the CAM Exchange Date.

10. WAIVERS; INDEMNIFICATION.

10.1. Demand; Protest; etc. Each Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper, and guarantees at any time held by the Lender Group pursuant to the Loan Documents on which such Borrower may in any way be liable.

10.2. The Lender Group's Liability for Collateral. Each Borrower hereby agrees that: (a) so long as Agent complies with its obligations, if any, under the Code and the PPSA, the Lender Group shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by Borrowers.

10.3. Indemnification. Borrowers shall pay, indemnify, defend, and hold the Agent-Related Persons, the Lender-Related Persons, and each Participant (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of one counsel retained by Agent on behalf of the Indemnified Persons, experts, or consultants and all other costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to the execution and delivery (provided that Borrowers shall not be liable for costs and expenses (including attorneys' fees) of any Lender (other than WFCF) incurred in advising, structuring, drafting, reviewing, administering or syndicating the Loan Documents), enforcement, performance, or administration (including any restructuring or workout with respect hereto) of this Agreement, any of the other Loan Documents, or the transactions contemplated hereby or thereby or the monitoring of Parent's and its Subsidiaries' compliance with the terms of the Loan Documents (provided, that, the indemnification in this clause (a) shall not extend to (i) disputes solely between or among the Lenders or (ii) disputes solely between or among the Lenders and their respective Affiliates; it being understood and agreed that the indemnification in this clause (a) shall extend to Agent (but not the Lenders) relative to disputes between or among Agent on the one hand, and one or more Lenders, or one or more of their Affiliates, on the other hand, or (iii) any Taxes or any costs attributable to Taxes, which shall be governed by Section 16), (b) with respect to any investigation, litigation, or proceeding related to this Agreement, any other Loan Document, or the use of the proceeds of the credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, and (c) in connection with or arising out of any presence or release of Hazardous Materials at, on, under, to or from any assets or properties owned, leased or operated by Parent or any of its Subsidiaries or any Environmental Actions, Environmental Liabilities or Remedial Actions related in any way to any such assets or properties of Parent or any of its Subsidiaries (each and all of the foregoing, the "Indemnified Liabilities"). The foregoing to the contrary notwithstanding, no Borrower shall have any obligation to any Indemnified Person under this Section 10.3 with respect to any Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnified Person or its officers, directors, employees, attorneys, or agents as determined pursuant to a final non-appealable order of a court of competent jurisdiction. This provision shall survive the termination of this Agreement and the repayment of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which any Borrower was required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrowers with respect thereto. **WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON.**

11. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile. In the case of notices or demands to Loan Parties or Agent, as the case may be, they shall be sent to the respective address set forth below:

If to Loan Parties:	PolyOne Corporation 33587 Walker Road Avon Lake, Ohio 44012 Attn: Treasurer Fax No. (440) 930-3064
With copies to:	PolyOne Corporation 33587 Walker Road Avon Lake, Ohio 44012 Attn: Secretary Fax No. (440) 930-3064
If to Agent:	Wells Fargo Capital Finance, LLC One Boston Place Boston, Massachusetts 02108 Attn: Portfolio Manager - PolyOne Fax No. (617) 523-307
With copies to:	Goldberg Kohn Ltd. 55 East Monroe Street, Suite 3300 Chicago, Illinois 60603 Attn: David L. Dranoff, Esq. Fax No. (312) 863-7439

Any party hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. All notices or demands sent in accordance with this Section 11, shall be deemed received on the earlier of the date of actual receipt or three (3) Business Days after the deposit thereof in the mail; provided, that (a) notices sent by overnight courier service shall be deemed to have been given when received, (b) notices by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient) and (c) notices by electronic mail 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 email or other written acknowledgment).

12. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.

(a) THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 12(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH LOAN PARTY AND EACH MEMBER OF THE LENDER GROUP REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION 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

ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

13. ASSIGNMENTS AND PARTICIPATIONS; SUCCESSORS.

13.1. Assignments and Participations.

(a) Any Lender may at any time assign to one or more Eligible Transferees (each, an "Assignee") all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Obligations at the time owing to it and its participation interests in Letters of Credit, Swing Loans and Overadvances), provided, that, any such assignment shall be subject to the following conditions:

(i) The aggregate amount of the Commitment or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Obligations of the assigning Lender subject to such assignment shall be not less than $5,000,000, unless the Agent otherwise consents, except that such minimum amount shall not apply to (A) an assignment or delegation by any Lender to any other Lender, an Affiliate of any Lender or an Related Fund or (B) a group of new Lenders, each of which is an Affiliate of each other or a Related Fund of such new Lender to the extent that the aggregate amount to be assigned to all such new Lenders is at least $5,000,000 or (C) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or Obligations at the time owing to it;

(ii) 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;

(iii) No consent shall be required for any assignment except: (A) the consent of Administrative Borrower shall be required, which consent shall not be unreasonably withheld, conditioned or delayed; provided, that (1) Administrative Borrower shall be deemed to have consented to a proposed assignment unless it objects thereto by written notice to Agent within ten (10) Business Days after having received notice thereof and (2) no consent of Administrative Borrower shall be required for an assignment to another Lender, an Affiliate of a Lender, a Related Fund or, if an Event of Default has occurred and is continuing and (B) the consent of the Agent shall be required, other than for an assignment to another Lender, an Affiliate of a Lender or a Related Fund;

(iv) The parties to each assignment shall execute and deliver to the Agent an Assignment and Acceptance, together with a processing fee of $3,500, provided, that Agent may, in its discretion, elect to reduce or waive such processing fee in the case of any assignment, and the assignee, if it is not a Lender, shall deliver to the Agent an administrative questionnaire in a form reasonably satisfactory to Agent;

(v) No such assignment shall be made to (A) a Loan Party or an Affiliate of a Loan Party, (B) any Defaulting Lender or any of its Subsidiaries or any Person who, upon becoming a Lender hereunder, would constitute a Defaulting Lender or one of its Subsidiaries, (C) a natural Person and (D) any holder of Subordinated Debt of a Loan Party to the extent Agent has written notice that such Person is a holder of such Subordinated Debt; and

(vi) Borrowers and Agent may continue to deal solely and directly with a Lender in connection with the interest so assigned to an Assignee until (A) written notice of such assignment, together with payment instructions, addresses, and related information with respect to the Assignee, have been given to Administrative Borrower and Agent by such Lender and the Assignee, (B) such Lender and its Assignee have delivered to Administrative Borrower and Agent an Assignment and Acceptance and Agent has notified the assigning Lender of its receipt thereof in accordance with this Section 13.1(b) and the satisfaction of the other conditions herein.

(b) From and after the date that Agent notifies the assigning Lender (with a copy to Borrowers) that it has received an executed Assignment and Acceptance and, if applicable, payment of the required processing fee, (i) the Assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, shall be a "Lender" and shall have the rights and obligations of a Lender under the Loan Documents, and (ii) the assigning Lender shall, to the extent that rights and obligations hereunder and under the other Loan Documents have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (except with respect to Section 10.3) and be released from any future obligations under this Agreement (and in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement and the other Loan Documents, such Lender shall cease to be a party hereto and thereto); provided, that, nothing contained herein shall release any assigning Lender from obligations that survive the termination of this Agreement, including such assigning Lender's obligations under Section 15 and Section 17.9(a).

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the Assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document furnished pursuant hereto, (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under this Agreement or any other Loan Document furnished pursuant hereto, (iii) such Assignee confirms that it has received a copy of this Agreement, together with such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance, (iv) such Assignee will, independently and without reliance upon Agent, such assigning Lender 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 this Agreement, (v) such

Assignee appoints and authorizes Agent to take such actions and to exercise such powers under this Agreement and the other Loan Documents as are delegated to Agent, by the terms hereof and thereof, together with such powers as are reasonably incidental thereto, and (vi) such Assignee agrees that it will perform all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) Immediately upon Agent's receipt of the required processing fee, if applicable, and delivery of notice to the assigning Lender pursuant to Section 13.1(b), this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to reflect the addition of the Assignee and the resulting adjustment of the Commitments arising therefrom. The Commitment allocated to each Assignee shall reduce such Commitments of the assigning Lender pro tanto.

(e) Any Lender may at any time sell to one or more commercial banks, financial institutions, or other Persons (a "Participant") participating interests in all or any portion of its Obligations, its Commitment, and the other rights and interests of that Lender (the "Originating Lender") hereunder and under the other Loan Documents; provided, that, (i) the Originating Lender shall remain a "Lender" for all purposes of this Agreement and the other Loan Documents and the Participant receiving the participating interest in the Obligations, the Commitments, and the other rights and interests of the Originating Lender hereunder shall not constitute a "Lender" hereunder or under the other Loan Documents and the Originating Lender's obligations under this Agreement shall remain unchanged, (ii) the Originating Lender shall remain solely responsible for the performance of such obligations, (iii) Borrowers, Agent, and the Lenders shall continue to deal solely and directly with the Originating Lender in connection with the Originating Lender's rights and obligations under this Agreement and the other Loan Documents, (iv) no Lender shall transfer or grant any participating interest under which the Participant has the right to approve any amendment to, or any consent or waiver with respect to, this Agreement or any other Loan Document, except to the extent such amendment to, or consent or waiver with respect to this Agreement or of any other Loan Document would (A) extend the final maturity date of the Obligations hereunder in which such Participant is participating, (B) reduce the interest rate applicable to the Obligations hereunder in which such Participant is participating, (C) release all or substantially all of the Collateral or guaranties (except to the extent expressly provided herein or in any of the Loan Documents) supporting the Obligations hereunder in which such Participant is participating, (D) postpone the payment of, or reduce the amount of, the interest or fees payable to such Participant through such Lender (other than a waiver of default interest), or (E) decreases the amount or postpones the due dates of scheduled principal repayments or prepayments or premiums payable to such Participant through such Lender, and (v) all amounts payable by Borrowers hereunder shall be determined as if such Lender had not sold such participation, except that, if amounts outstanding under this Agreement are due and unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall be deemed to have the right of set off in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement. The rights of any Participant only shall be derivative through the Originating Lender with whom such Participant participates and no Participant shall have any rights under this Agreement or the other Loan Documents or any direct rights as to the other Lenders, Agent, Loan Parties, the Collections of Loan Parties, the Collateral, or otherwise in respect of the Obligations. No Participant shall have the right to participate directly in the making of decisions by the Lenders among themselves.

(f) In connection with any such assignment or participation or proposed assignment or participation or any grant of a security interest in, or pledge of, its rights under and interest in this Agreement, a Lender may, subject to the provisions of Section 17.9, disclose all documents and information which it now or hereafter may have relating to Parent and its Subsidiaries and their respective businesses.

(g) Any other provision in this Agreement notwithstanding, any Lender may at any time create a security interest in, or pledge, all or any portion of its rights under and interest in this Agreement in favor of any Federal Reserve Bank in accordance with Regulation A of the Federal Reserve Bank or U.S. Treasury Regulation 31 CFR §203.24, and such Federal Reserve Bank may enforce such pledge or security interest in any manner permitted under applicable law.

13.2. Successors. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, that, no Borrower may assign this Agreement or any rights or duties hereunder without the Lenders' prior written consent and any prohibited assignment shall be absolutely void ab initio. No consent to assignment by the Lenders shall release any Borrower from its Obligations. A Lender may assign this Agreement and the other Loan Documents and its rights and duties hereunder and thereunder pursuant to Section 13.1 and, except as expressly required pursuant to Section 13.1, no consent or approval by any Borrower is required in connection with any such assignment.

14. AMENDMENTS; WAIVERS.

14.1. Amendments and Waivers.

(a) No amendment, waiver or other modification of any provision of this Agreement or any other Loan Document (other than Bank Product Agreements or the Fee Letter), and no consent with respect to any departure by any Loan Party therefrom, shall be effective unless the same shall be in writing and signed by the Required Lenders (or by Agent at the written request of the Required Lenders) and the Loan Parties that are party thereto and then any such waiver or consent shall be effective, but only in the specific instance and for the specific purpose for which given; provided, that, (i) no such waiver, amendment, or consent shall, unless in writing and signed by all of the Lenders directly affected thereby (which, in the case of all clauses below except clauses (A), (B) and (C), will require the consent of all Lenders), and all of the Loan Parties that are party thereto, do any of the following:

(A) increase the amount of or extend the expiration date of any Commitment of any Lender,

(B) extend, postpone or delay any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees, or other amounts due to any Lender hereunder or under any other Loan Document,

(C) reduce the principal of, or the rate of interest on, any loan or other extension of credit hereunder, or reduce any fees or other amounts payable to any Lender hereunder or under any other Loan Document (except (1) in connection with the waiver of applicability of Section 2.4(b) (which waiver shall be effective with the written consent of the Required Lenders), and (2) that any amendment or modification of defined terms used in the financial covenants in this Agreement shall not constitute a reduction in the rate of interest or a reduction of fees for purposes of this clause (iii)),

(D) amend, modify, or eliminate this Section or any provision of this Agreement providing for consent or other action by all Lenders,

(E) amend, modify, or eliminate Section 15.11,

(F) release Agent's Lien in and to any of the Collateral, except as permitted by Section 15.11,

(G) amend, modify, or eliminate the definition of "Supermajority Lenders", "Required Lenders" or "Pro Rata Share",

(H) except as otherwise permitted by Section 15.11(a), contractually subordinate any of Agent's Liens,

(I) release any Borrower or any Guarantor from any obligation for the payment of money or consent to the assignment or transfer by any Borrower or any Guarantor of any of its rights or duties under this Agreement or the other Loan Documents, except in connection with a merger, liquidation, dissolution or sale of such Person expressly permitted by the terms hereof or the other Loan Documents,

(J) amend, modify, or eliminate any of the provisions of Section 2.2(d) or Section 2.3(b)(i), (ii) or (iii), Section 2.3(c)(i), or Section 3.1,

(K) amend, modify, or eliminate any of the provisions of Section 13.1(a) to permit a Loan Party or an Affiliate of a Loan Party to be permitted to become an Assignee, or

(ii) no such waiver, amendment, or consent shall, unless in writing and signed by the Supermajority Lenders, amend, modify, or eliminate the definition of US Borrowing Base or Canadian Borrowing Base or any of the defined terms that are used in such definition (including the definitions of Eligible Accounts and Eligible Inventory) to the extent that any such change results in more credit being made available to Borrowers based upon the US Borrowing Base or Canadian Borrowing Base, but not otherwise, or the definitions of US Maximum Credit or Canadian Maximum Credit, or change Sections 2.1(e) or (f) (but exclusive of the right of Agent to eliminate or reduce the amount of reserves).

(b) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive (i) the definition of, or any of the terms or provisions of, the Fee Letter, without the written consent of Agent and Borrowers (and shall not require the written consent of any of the Lenders), and (ii) any provision of Section 15 pertaining to Agent, or any other rights or duties of Agent under this Agreement or the other Loan Documents, without the written consent of Agent, Borrowers, and the Required Lenders. Notwithstanding anything to the contrary contained in this Agreement or the other Loan Documents, the consent of Loan Parties and Lenders shall not be required for the exercise by Agent of any of its rights under this Agreement in accordance with the terms of this Agreement with respect to reserves, or the US Borrowing Base or Canadian Borrowing Base or any of the defined terms (including the definitions of Eligible Accounts and Eligible Inventory) that are used therein.

(c) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive any provision of this Agreement or the other Loan Documents pertaining to Issuing Lender, or any other rights or duties of Issuing Lender under this Agreement or the other Loan Documents, without the written consent of Issuing Lender, Agent, Borrowers, and the Required Lenders,

(d) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive any provision of this Agreement or the other Loan Documents pertaining to Swing Lender, or any other rights or duties of Swing Lender under this Agreement or the other Loan Documents, without the written consent of Swing Lender, Agent, Borrowers, and the Required Lenders,

(e) Anything in this Section 14.1 to the contrary notwithstanding, (i) any amendment, modification, elimination, waiver, consent, termination, or release of, or with respect to, any provision of this Agreement or any other Loan Document that relates only to the relationship of the Lender Group among themselves, and that does not affect the rights or obligations of any Loan Party, shall not require consent by or the agreement of any Loan Party, and (ii) any amendment, waiver, modification, elimination, or consent of or with respect to any provision of this Agreement or any other Loan Document may be entered into without the consent of, or over the objection of, any Defaulting Lender other than any of the matters governed by Section 14.1(a)(i)(A), (B) or (C),

14.2. Replacement of Certain Lenders.

(a) If (i) any action to be taken by the Lender Group or Agent hereunder requires the consent, authorization, or agreement of all Lenders or all Lenders affected thereby and if such action has received the consent, authorization, or agreement of the Required Lenders but not of all Lenders or all Lenders affected thereby, or (ii) any Lender makes a claim for compensation under Section 16, then Borrowers or Agent, upon at least five (5) Business Days prior irrevocable notice, may permanently replace any Lender that failed to give its consent, authorization, or agreement (a "Non-Consenting Lender") or any Lender that made a claim for

compensation (a "Tax Lender") with one or more Replacement Lenders, and the Non-Consenting Lender or Tax Lender, as applicable, shall have no right to refuse to be replaced hereunder. Such notice to replace the Non-Consenting Lender or Tax Lender, as applicable, shall specify an effective date for such replacement, which date shall not be later than 15 Business Days after the date such notice is given.

(b) Prior to the effective date of such replacement, the Non-Consenting Lender or Tax Lender, as applicable, and each Replacement Lender shall execute and deliver an Assignment and Acceptance, subject only to the Non-Consenting Lender or Tax Lender, as applicable, being repaid in full its share of the outstanding Obligations (without any premium or penalty of any kind whatsoever, but including (i) all interest, fees and other amounts that may be due in payable in respect thereof, and (ii) an assumption of its Pro Rata Share of participations in the Letters of Credit). If the Non-Consenting Lender or Tax Lender, as applicable, shall refuse or fail to execute and deliver any such Assignment and Acceptance prior to the effective date of such replacement, Agent may, but shall not be required to, execute and deliver such Assignment and Acceptance in the name or and on behalf of the Non-Consenting Lender or Tax Lender, as applicable, and irrespective of whether Agent executes and delivers such Assignment and Acceptance, the Non-Consenting Lender or Tax Lender, as applicable, shall be deemed to have executed and delivered such Assignment and Acceptance. The replacement of any Non-Consenting Lender or Tax Lender, as applicable, shall be made in accordance with the terms of Section 13.1. Until such time as one or more Replacement Lenders shall have acquired all of the Obligations, the Commitments, and the other rights and obligations of the Non-Consenting Lender or Tax Lender, as applicable, hereunder and under the other Loan Documents, the Non-Consenting Lender or Tax Lender, as applicable, shall remain obligated to make the Non-Consenting Lender's or Tax Lender's, as applicable, Pro Rata Share of Revolving Loans and to purchase a participation in each Letter of Credit, in an amount equal to its Pro Rata Share of such Letters of Credit.

14.3. No Waivers; Cumulative Remedies. No failure by Agent or any Lender to exercise any right, remedy, or option under this Agreement or any other Loan Document, or delay by Agent or any Lender in exercising the same, will operate as a waiver thereof. No waiver by Agent or any Lender will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by Agent or any Lender on any occasion shall affect or diminish Agent's and each Lender's rights thereafter to require strict performance by each Loan Party of any provision of this Agreement. Agent's and each Lender's rights under this Agreement and the other Loan Documents will be cumulative and not exclusive of any other right or remedy that Agent or any Lender may have.

15. AGENT; THE LENDER GROUP.

15.1. Appointment and Authorization of Agent. Each Lender hereby designates and appoints WFCF as its agent under this Agreement and the other Loan Documents and each Lender hereby irrevocably authorizes (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to designate, appoint, and authorize) Agent to execute and deliver each of the other Loan Documents on its

behalf and to take such other action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to Agent by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Agent agrees to act as agent for and on behalf of the Lenders (and the Bank Product Providers) on the conditions contained in this Section 15. Any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document notwithstanding, Agent shall not have any duties or responsibilities, except those expressly set forth herein or in the other Loan Documents, nor shall Agent have or be deemed to have any fiduciary relationship with any Lender (or Bank Product Provider), and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against Agent. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement or the other Loan Documents with reference to 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 merely as a matter of market custom, and is intended to create or reflect only a representative relationship between independent contracting parties. Each Lender hereby further authorizes (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent to act as the secured party under each of the Loan Documents that create a Lien on any item of Collateral. Except as expressly otherwise provided in this Agreement, Agent shall have and may use its sole discretion with respect to exercising or refraining from exercising any discretionary rights or taking or refraining from taking any actions that Agent expressly is entitled to take or assert under or pursuant to this Agreement and the other Loan Documents. Without limiting the generality of the foregoing, or of any other provision of the Loan Documents that provides rights or powers to Agent, Lenders agree that Agent shall have the right to exercise the following powers as long as this Agreement remains in effect: (a) maintain, in accordance with its customary business practices, ledgers and records reflecting the status of the Obligations, the Collateral, the Collections of Parent and its Subsidiaries, and related matters, (b) execute or file any and all financing or similar statements or notices, amendments, renewals, supplements, documents, instruments, proofs of claim, notices and other written agreements with respect to the Loan Documents, (c) make Revolving Loans, for itself or on behalf of Lenders, as provided in the Loan Documents, (d) exclusively receive, apply, and distribute the Collections of Parent and its Subsidiaries as provided in the Loan Documents, (e) open and maintain such bank accounts and cash management arrangements as Agent deems necessary and appropriate in accordance with the Loan Documents for the foregoing purposes with respect to the Collateral and the Collections of Parent and its Subsidiaries, (f) perform, exercise, and enforce any and all other rights and remedies of the Lender Group with respect to Parent or its Subsidiaries, the Obligations, the Collateral, the Collections of Parent and its Subsidiaries, or otherwise related to any of same as provided in the Loan Documents, and (g) incur and pay such Lender Group Expenses as Agent may deem necessary or appropriate for the performance and fulfillment of its functions and powers pursuant to the Loan Documents.

15.2. Delegation of Duties. Agent may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Agent shall not be responsible for the negligence or misconduct of any agent or attorney in fact that it selects as long as such selection was made without gross negligence or willful misconduct.

15.3. Liability of Agent. None of the Agent-Related Persons shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct), or (b) be responsible in any manner to any of the Lenders (or Bank Product Providers) for any recital, statement, representation or warranty made by Parent or any of its Subsidiaries or Affiliates, or any officer or director thereof, contained in this Agreement or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by Agent under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document, or for any failure of Parent or its Subsidiaries or any other party to any Loan Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Lenders (or Bank Product Providers) to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the books and records or properties of Parent or its Subsidiaries.

15.4. Reliance by Agent. Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telegram, telefacsimile or other electronic method of transmission, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent, or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to any Lender), independent accountants and other experts selected by Agent. Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless Agent shall first receive such advice or concurrence of the Lenders as it deems appropriate and until such instructions are received, Agent shall act, or refrain from acting, as it deems advisable. If Agent so requests, it shall first be indemnified to its reasonable satisfaction by the Lenders (and, if it so elects, the Bank Product Providers) against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon all of the Lenders (and Bank Product Providers).

15.5. Notice of Default or Event of Default. Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, except with respect to defaults in the payment of principal, interest, fees, and expenses required to be paid to Agent for the account of the Lenders and, except with respect to Events of Default of which Agent has actual knowledge, unless Agent shall have received written notice from a Lender or any Borrower referring to this Agreement, describing such Default or Event of Default, and stating that such notice is a "notice of default." Agent promptly will notify the Lenders of its receipt of any such notice or of any Event of Default of which Agent has actual knowledge. If any Lender obtains actual knowledge of any Event of Default, such Lender promptly shall notify the other Lenders and Agent of such Event of Default. Each Lender shall be solely responsible for giving any notices to its Participants, if any. Subject to Section 15.4, Agent shall take such action with respect to such Default or Event of Default as may be requested by the Required Lenders in accordance with Section 9; provided, that, unless and until Agent has received any such request, Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable.

15.6. Credit Decision. Each Lender (and Bank Product Provider) acknowledges that none of the Agent-Related Persons has made any representation or warranty to it, and that no act by Agent hereinafter taken, including any review of the affairs of Parent and its Subsidiaries or Affiliates, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Lender (or Bank Product Provider). Each Lender represents (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to represent) to Agent that it has, independently and without reliance upon any Agent-Related Person and based on such due diligence, documents and information as it has deemed appropriate, made its own appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of any Borrower or any other Person party to a Loan Document, and all applicable bank regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to Borrowers. Each Lender also represents (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to represent) that it will, independently and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, 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 any Borrower or any other Person party to a Loan Document. Except for notices, reports, and other documents expressly herein required to be furnished to the Lenders by Agent, Agent shall not have any duty or responsibility to provide any Lender (or Bank Product Provider) with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Borrower or any other Person party to a Loan Document that may come into the possession of any of the Agent-Related Persons. Each Lender acknowledges (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that Agent does not have any duty or responsibility, either initially or on a continuing basis (except to the extent, if any, that is expressly specified herein) to provide such Lender (or Bank Product Provider) with any credit or other information with respect to any Borrower, its Affiliates or any of their respective business, legal, financial or other affairs, and irrespective of whether such information came into Agent's or its Affiliates' or representatives' possession before or after the date on which such Lender became a party to this Agreement (or such Bank Product Provider entered into a Bank Product Agreement).

15.7. Costs and Expenses; Indemnification. Agent may incur and pay Lender Group Expenses to the extent Agent reasonably deems necessary or appropriate for the performance and fulfillment of its functions, powers, and obligations pursuant to the Loan Documents, including court costs, attorneys' fees and expenses, fees and expenses of financial accountants, advisors, consultants, and appraisers, costs of collection by outside collection agencies, auctioneer fees and expenses, and costs of security guards or insurance premiums paid to maintain the Collateral, whether or not Borrowers are obligated to reimburse Agent or Lenders for such expenses pursuant to this Agreement or otherwise. To the extent any Loan Parties are required to reimburse Agent for such Lender Group Expenses, Agent is authorized and directed to deduct and retain sufficient amounts from the Collections of Parent and its Subsidiaries received by Agent to reimburse Agent for such out-of-pocket costs and expenses prior to the distribution of any amounts to Lenders (or Bank

Product Providers). In the event Agent is not reimbursed for such costs and expenses by Parent or its Subsidiaries, each Lender hereby agrees that it is and shall be obligated to pay to Agent such Lender's Pro Rata Share thereof. Whether or not the transactions contemplated hereby are consummated, each of the Lenders, on a ratable basis, shall indemnify and defend the Agent-Related Persons (to the extent not reimbursed by or on behalf of Borrowers and without limiting the obligation of Borrowers to do so) from and against any and all Indemnified Liabilities; provided, that, no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities resulting solely from such Person's gross negligence or willful misconduct nor shall any Lender be liable for the obligations of any Defaulting Lender in failing to make a Revolving Loan or other extension of credit hereunder. Without limitation of the foregoing, each Lender shall reimburse Agent upon demand for such Lender's Pro Rata Share of any costs or out of pocket expenses (including attorneys, accountants, advisors, and consultants fees and expenses) incurred by Agent in connection with the preparation, execution, delivery, administration, modification, amendment, or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement or any other Loan Document to the extent that Agent is not reimbursed for such expenses by or on behalf of Borrowers. Notwithstanding anything to the contrary contained herein, Lenders shall be liable and indemnify Agent-Related Persons only for Indemnified Liabilities and other costs and expenses that relate to or arise from an Agent-Related Person acting as or for Agent (in its capacity as Agent). The undertaking in this Section shall survive the payment of all Obligations hereunder and the resignation or replacement of Agent.

15.8. Agent in Individual Capacity. WFCF and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, provide Bank Products to, acquire equity interests in, and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with Parent and its Subsidiaries and Affiliates and any other Person party to any Loan Document as though WFCF were not Agent hereunder, and, in each case, without notice to or consent of the other members of the Lender Group. The other members of the Lender Group acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, pursuant to such activities, WFCF or its Affiliates may receive information regarding Borrowers or their Affiliates or any other Person party to any Loan Documents that is subject to confidentiality obligations in favor of Borrowers or such other Person and that prohibit the disclosure of such information to the Lenders (or Bank Product Providers), and the Lenders acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver Agent will use its reasonable best efforts to obtain), Agent shall not be under any obligation to provide such information to them. The terms "Lender" and "Lenders" include WFCF in its individual capacity.

15.9. Successor Agent. Agent may resign as Agent upon thirty (30) days prior written notice to the Lenders (unless such notice is waived by the Required Lenders) and Administrative Borrower (unless such notice is waived by Borrowers) and without any notice to the Bank Product Providers. If Agent resigns under this Agreement, the Required Lenders shall be entitled, with (so long as no
Event of Default has occurred and is continuing) the consent of Administrative Borrower (such consent not to be unreasonably withheld, delayed, or conditioned), appoint a successor Agent for the Lenders (and the Bank Product Providers). If, at the time that Agent's resignation is effective, it is acting as the Issuing Lender or Swing Lender, such resignation shall also operate to effectuate its resignation as the Issuing Lender or Swing Lender, as applicable, and it shall automatically be relieved of any further obligation to issue Letters of Credit, to cause the Underlying Issuer to issue Letters of Credit, or to make Swing Loans. If no successor Agent is appointed prior to the effective date of the resignation of Agent, Agent may appoint, after consulting with the Lenders and Administrative Borrower, a successor Agent from among Lenders (unless no Lender is willing to accept such appointment, then otherwise as Agent determines). If Agent has materially breached or failed to perform any material provision of this Agreement or of applicable law, the Required Lenders may agree in writing to remove and replace Agent with a successor Agent from among the Lenders with (so long as no Event of Default has occurred and is continuing) the consent of Borrowers (such consent not to be unreasonably withheld, delayed, or conditioned). In any such event, upon the acceptance of its appointment as successor Agent hereunder, such successor Agent shall succeed to all the rights, powers, and duties of the retiring Agent and the term "Agent" shall mean such successor Agent and the retiring Agent's appointment, powers, and duties as Agent shall be terminated. After any retiring Agent's resignation hereunder as Agent, the provisions of this Section 15 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement. If no successor Agent has accepted appointment as Agent by the date which is thirty (30) days following a retiring Agent's notice of resignation, the retiring Agent's resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of Agent hereunder until such time, if any, as the Lenders appoint a successor Agent as provided for above.

15.10. Lender in Individual Capacity. Any Lender and its respective Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, provide Bank Products to, acquire equity interests in and generally engage in any kind of banking, trust, financial advisory, underwriting, or other business with Parent and its Subsidiaries and Affiliates and any other Person party to any Loan Documents as though such Lender were not a Lender hereunder without notice to or consent of the other members of the Lender Group (or the Bank Product Providers). The other members of the Lender Group acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, pursuant to such activities, such Lender and its respective Affiliates may receive information regarding Parent or their Affiliates or any other Person party to any Loan Documents that is subject to confidentiality obligations in favor of Parent or such other Person and that prohibit the disclosure of such information to the Lenders, and the Lenders acknowledge (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to acknowledge) that, in such circumstances (and in the absence of a waiver of such confidentiality obligations, which waiver such Lender will use its reasonable best efforts to obtain), such Lender shall not be under any obligation to provide such information to them.

15.11. Collateral Matters.

(a) The Lenders hereby irrevocably authorize (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent to release any Lien on any of the Collateral (i) upon termination of the Commitments and payment and satisfaction of all of the Obligations, or (ii) constituting property being sold or disposed of if Administrative Borrower or any Loan Party certifies to Agent that the sale or disposition is not prohibited by Section 6.4 (and Agent may rely conclusively on any such certificate, without further inquiry), or (iii) constituting property in which any Loan Party did not own an interest at the time the security interest, mortgage or lien was granted or at any time thereafter, or (iv) having a value in the aggregate in any twelve (12) month period of less than $5,000,000, and to the extent Agent may release its Lien on any such Collateral pursuant to the sale or other disposition thereof, such sale or other disposition shall be deemed consented to by Lenders, or (v) if required or permitted under the terms of any of the other Loan Documents, including any intercreditor agreement, or (vi) constituting property leased to a Loan Party under a lease that has expired or is terminated, or (vii) subject to Section 14.1 and the Security Agreement, if the release is approved, authorized or ratified in writing by the Required Lenders. In no event shall the consent or approval of an Issuing Lender to any release of Collateral be required. Nothing contained herein shall be construed to require the consent of any Bank Product Provider to any release of any Collateral or termination of security interests in any Collateral. Upon request by Agent or any Borrower at any time, the Lenders will (and if so requested, the Bank Product Providers will) confirm in writing Agent's authority to release any such Liens on particular types or items of Collateral pursuant to this Section 15.11; provided, that, (1) Agent shall not be required to execute any document necessary to evidence such release on terms that, in Agent's opinion, would expose Agent to liability or create any obligation or entail any consequence other than the release of such Lien without recourse, representation, or warranty, and (2) such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations of any Borrower in respect of) all interests retained by any Loan Party, including, the proceeds of any sale, all of which shall continue to constitute part of the Collateral. The Lenders further hereby irrevocably authorize (and by

entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent, at its option and in its sole discretion, to subordinate any Lien granted to or held by Agent under any Loan Document to the holder of any Permitted Lien on such property if such Permitted Lien secures Permitted Purchase Money Indebtedness.

(b) The Loan Parties and the Lenders hereby irrevocably authorize (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to authorize) Agent, based upon the instruction of the Required Lenders, to (A) consent to, credit bid or purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale thereof conducted under the provisions of the Bankruptcy Code or other bankruptcy or insolvency laws, including under Section 363 of the Bankruptcy Code, (B) credit bid or purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale or other disposition thereof conducted under the provisions of the Code or the PPSA, including pursuant to Sections 9-610 or 9-620 of the Code, or (C) credit bid or purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any other sale or foreclosure conducted by Agent (whether by judicial action or otherwise) in accordance with applicable law. In connection with any such credit bid or purchase, the Obligations owed to the Lenders and the Bank Product Providers shall be entitled to be, and shall be, credit bid on a ratable basis (with Obligations with respect to contingent or unliquidated claims being estimated for such purpose if the fixing or liquidation thereof would not unduly delay the ability of Agent to credit bid or purchase at such sale or other disposition of the Collateral and, if such claims cannot be estimated without unduly delaying the ability of Agent to credit bid, then such claims shall be disregarded, not credit bid, and not entitled to any interest in the asset or assets purchased by means of such credit bid) and the Lenders and the Bank Product Providers whose Obligations are credit bid shall be entitled to receive interests (ratably based upon the proportion of their Obligations credit bid in relation to the aggregate amount of Obligations so credit bid) in the asset or assets so purchased (or in the Equity Interests of the acquisition vehicle or vehicles that are used to consummate such purchase).

(c) Agent shall have no obligation whatsoever to any of the Lenders (or the Bank Product Providers) to assure that the Collateral exists or is owned by a Loan Party or is cared for, protected, or insured or has been encumbered, or that Agent's Liens have been properly or sufficiently or lawfully created, perfected, protected, or enforced or are entitled to any particular priority, or that any particular items of Collateral meet the eligibility criteria applicable in respect thereof or whether to impose, maintain, reduce, or eliminate any particular reserve hereunder or whether the amount of any such reserve is appropriate or not, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of the rights, authorities and powers granted or available to Agent pursuant to any of the Loan Documents, it being understood and agreed that in respect of the Collateral, or any act, omission, or event related thereto, subject to the terms and conditions contained herein, Agent may act in any manner it may deem appropriate, in its sole discretion given Agent's own interest in the Collateral in its capacity as one of the Lenders and that Agent shall have no other duty or liability whatsoever to any Lender (or Bank Product Provider) as to any of the foregoing, except as otherwise provided herein.

15.12. Restrictions on Actions by Lenders; Sharing of Payments.

(a) Each of the Lenders agrees that it shall not, without the express written consent of Agent and only to the extent it is lawfully entitled to do so, set off against the Obligations, any amounts owing by such Lender to Parent or its Subsidiaries or any Deposit Accounts of Parent or its Subsidiaries now or hereafter maintained with such Lender. Each of the Lenders further agrees that it shall not, unless specifically requested to do so in writing by Agent, take or cause to be taken any action, including, the commencement of any legal or equitable proceedings to enforce any Loan Document against any Borrower or any Guarantor or to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

(b) If, at any time or times any Lender shall receive (i) by payment, foreclosure, setoff, or otherwise, any proceeds of Collateral or any payments with respect to the Obligations, except for any such proceeds or payments received by such Lender from Agent pursuant to the terms of this Agreement, or (ii) payments from Agent in excess of such Lender's Pro Rata Share of all such distributions by Agent, such Lender promptly shall (A) turn the same over to Agent, in kind, and with such endorsements as may be required to negotiate the same to Agent, or in immediately available funds, as applicable, for the account of all of the Lenders and for application to the Obligations in accordance with the applicable provisions of this Agreement, or (B) purchase, without recourse or warranty, an undivided interest and participation in the Obligations owed to the other Lenders so that such excess payment received shall be applied ratably as among the Lenders in accordance with their Pro Rata Shares; provided, that, to the extent that such excess payment received by the purchasing party is thereafter recovered from it, those purchases of participations shall be rescinded in whole or in part, as applicable, and the applicable portion of the purchase price paid therefor shall be returned to such purchasing party, but without interest except to the extent that such purchasing party is required to pay interest in connection with the recovery of the excess payment. Notwithstanding anything to the contrary contained herein, to the extent that cash collateral has been specifically pledged by a Borrower to a Lender prior to the date hereof to secure the Bank Product Obligations owing to such Lender, such Lender may apply such cash collateral to such Bank Product Obligations, after notice to Agent, and shall only be required to comply with this Section 15.12(b) as to such cash collateral to the extent that the amount of such cash collateral exceeds the applicable Bank Product Obligations.

15.13. Agency for Perfection. Agent hereby appoints each other Lender (and each Bank Product Provider) as its agent (and each Lender hereby accepts (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to accept) such appointment) for the purpose of perfecting Agent's Liens in assets which, in accordance with Article 8 or Article 9, as applicable, of the Code or in accordance with the PPSA can be perfected by possession or control. Should any Lender obtain possession or control of any such Collateral, such Lender shall notify Agent thereof, and, promptly upon Agent's request therefor shall deliver possession or control of such Collateral to Agent or in accordance with Agent's instructions.

15.14. Payments by Agent to the Lenders. All payments to be made by Agent to the Lenders (or Bank Product Providers) shall be made by bank wire transfer of immediately available funds pursuant to such wire transfer instructions as each party may designate for itself by written notice to Agent. Concurrently with each such payment, Agent shall identify whether such payment (or any portion thereof) represents principal, premium, fees, or interest of the Obligations.

15.15. Concerning the Collateral and Related Loan Documents. Each member of the Lender Group authorizes and directs Agent to enter into this Agreement and the other Loan Documents. Each member of the Lender Group agrees (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to agree) that any action taken by Agent in accordance with the terms of this Agreement or the other Loan Documents relating to the Collateral and the exercise by Agent of its powers set forth therein or herein, together with such other powers that are reasonably incidental thereto, shall be binding upon all of the Lenders (and such Bank Product Provider). Each Lender hereby authorizes Agent, on behalf of such Lender, to execute the certain First Amendment to Security Agreement of even date herewith among Agent and the US Loan Parties, the certain First Amendment to Security Agreement of even date herewith among Agent and the Canadian Loan Parties and each other amendment to a Loan Document to be executed and delivered on the Effective Date.

15.16. Field Examination Reports; Confidentiality; Disclaimers by Lenders; Other Reports and Information.

(a) By becoming a party to this Agreement, each Lender:

(i) is deemed to have requested that Agent furnish such Lender, promptly after it becomes available, a copy of each field examination report respecting Parent or its Subsidiaries (each, a "Report") prepared by or at the request of Agent, and Agent shall so furnish each Lender with such Reports,

(ii) expressly agrees and acknowledges that Agent does not (i) make any representation or warranty as to the accuracy of any Report, and (ii) shall not be liable for any information contained in any Report,

(iii) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that Agent or other party performing any audit or examination will inspect only specific information regarding Parent and its Subsidiaries and will rely significantly upon Parent's and its Subsidiaries' books and records, as well as on representations of each Borrower's personnel,

(iv) agrees to keep all Reports and other material, non-public information regarding Parent and its Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Section 17.9, and

(v) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold Agent and any other Lender preparing a Report harmless from any action the indemnifying Lender may take or fail to take or any conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to Borrowers, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of Borrowers, and (ii) to pay and protect, and indemnify, defend and hold Agent, and any such other Lender preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including, attorneys' fees and costs) incurred by Agent and any such other Lender preparing a Report as the direct or indirect result of any third parties who obtains all or part of any Report through the indemnifying Lender.

(b) In addition to the foregoing, any Lender may from time to time request of Agent in writing that Agent provide to such Lender a copy of any report or document provided by Parent or any Subsidiary of Parent to Agent that has not been contemporaneously provided by Parent or its Subsidiaries to such Lender, and, upon receipt of such request, Agent promptly shall provide a copy of same to such Lender, (i) to the extent that Agent is entitled, under any provision of the Loan Documents, to request additional reports or information from Parent or its Subsidiaries, any Lender may, from time to time, reasonably request Agent to exercise such right as specified in such Lender's notice to Agent, whereupon Agent promptly shall request of such Borrower the additional reports or information reasonably specified by such Lender, and, upon receipt thereof from Parent or its Subsidiaries, Agent promptly shall provide a copy of same to such Lender, and (ii) any time that Agent renders to any Borrower a statement regarding the Loan Account, Agent shall send a copy of such statement to each Lender.

15.17. Agent May File Proofs of Claim.

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding or other Insolvency Proceeding relative to any Loan Party, Agent (irrespective of whether the principal of any Obligations or amounts owing in respect of Letters of Credit shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Agent shall have made any demand on the Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Obligations and all other Obligations (other than obligations under Bank Products to which Agent is not a party) that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of Lenders, Issuing Lender and Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of Lenders, Issuing Lender and Agent and their respective agents and counsel and all other amounts due Lenders, Issuing Lender and Agent allowed in such judicial proceeding; and

(ii) 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 Issuing Lender to make such payments to Agent and, in the event that Agent shall consent to the making of such payments directly to Lenders and Issuing Lender, to pay to Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Agent and its agents and counsel, and any other amounts due Agent.

(iii) Nothing contained herein shall be deemed to authorize Agent to authorize or consent to or accept or adopt on behalf of any Lender or Issuing Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize Agent to vote in respect of the claim of any Lender in any such proceeding.

15.18. Several Obligations; No Liability. Notwithstanding that certain of the Loan Documents now or hereafter may have been or will be executed only by or in favor of Agent in its capacity as such, and not by or in favor of the Lenders, any and all obligations on the part of Agent (if any) to make any credit available hereunder shall constitute the several (and not joint) obligations of the respective Lenders on a ratable basis, according to their respective Commitments, to make an amount of such credit not to exceed, in principal amount, at any one time outstanding, the amount of their respective Commitments. Nothing contained herein shall confer upon any Lender any interest in, or subject any Lender to any liability for, or in respect of, the business, assets, profits, losses, or liabilities of any other Lender. Each Lender shall be solely responsible for notifying its Participants of any matters relating to the Loan Documents to the extent any such notice may be required, and no Lender shall have any obligation, duty, or liability to any Participant of any other Lender. Except as provided in Section 15.7, no member of the Lender Group shall have any liability for the acts of any other member of the Lender Group. No Lender shall be responsible to any Borrower or any other Person for any failure by any other Lender (or Bank Product Provider) to fulfill its obligations to make credit available hereunder, nor to advance for such Lender (or Bank Product Provider) or on its behalf, nor to take any other action on behalf of such Lender (or Bank Product Provider) hereunder or in connection with the financing contemplated herein.

15.19. Appointment for the Province of Quebec. Without prejudice to Section 15.1 above, each member of the Lender Group hereby appoints WFCF as the person holding the power of attorney (fonde pouvoir) of the Lender Group as contemplated under Article 2692 of the Civil Code of Quebec, to enter into, to take and to hold on their behalf, and for their benefit, any deed of hypothec ("Deed of Hypothec") to be executed by any of the Borrowers or Guarantors granting a hypothec pursuant to the laws of the Province of Quebec (Canada) and to exercise such powers and duties which are conferred thereupon under such deed. All of the Lender Group hereby additionally appoints Agent as agent, mandatary, custodian and depositary for and on behalf of the Lender Group (a) to hold and to be the sole registered holder of any bond ("Bond") issued under the Deed of Hypothec, the whole notwithstanding any other applicable law, and (b) to enter into, to take and to hold on their behalf, and for their benefit, a bond pledge agreement ("Pledge") to be executed by such Borrower or Guarantor pursuant to the laws of the Province of Quebec and creating a pledge of

the Bond as security for the payment and performance of, inter alia, the Obligations. In this respect, (i) Agent as agent, mandatary, custodian and depositary for and on behalf of the Lender Group, shall keep a record indicating the names and addresses of, and the pro rata portion of the obligations and indebtedness secured by the Pledge, owing to each of the members of the Lender Group for and on behalf of whom the Bond is so held from time to time, and (ii) each of the members of the Lender Group will be entitled to the benefits of any property or assets charged under the Deed of Hypothec and the Pledge and will participate in the proceeds of realization of any such property or assets. WFCF, in such aforesaid capacities shall (A) have the sole and exclusive right and authority to exercise, except as may be otherwise specifically restricted by the terms hereof, all rights and remedies given to WFCF, as fonde de pouvoir, with respect to the property or assets charged under the Deed of Hypothec and to Agent with respect to the property and assets changed under the Pledge, any other applicable law or otherwise, and (B) benefit from and be subject to all provisions hereof with respect to Agent mutatis mutandis, including, without limitation, all such provisions with respect to the liability or responsibility to and indemnification by the Lender Group, the Borrowers or the Guarantors. The execution prior to the date hereof by WFCF, as fonde de pouvoir, or Agent of any Deed of Hypothec, Pledge or other security documents made pursuant to the laws of the Province of Quebec (Canada) is hereby ratified and confirmed. The constitution of WFCF as the Person holding the power of attorney (fonde de pouvoir), and of Agent, as agent, mandatary, custodian and depositary with respect to any bond that may be issued and pledged from time to time to Agent for the benefit of the Lender Group, shall be deemed to have been ratified and confirmed by each Person accepting an assignment of, a participation in or an arrangement in respect of, all or any portion of any of the Lender Group’s rights and obligations under this Agreement by the execution of an assignment, including an Assignment and Acceptance Agreement or other agreement pursuant to which it becomes such assignee or participant, and by each successor Agent by the execution of an assignment agreement or other agreement, or by the compliance with other formalities, as the case may be, pursuant to which it becomes a successor Agent hereunder.

15.20. Authorization. Each Lender hereby (i) consents to the establishment of the priority of the Liens provided for in the 2015 Note Intercreditor Agreement and the Series G Guarantee Lien Acknowledgement, (ii) agrees that it will be bound by, and will take no actions contrary to, the provisions of the 2015 Note Intercreditor Agreement, (iii) authorizes and instructs Agent to enter into the 2015 Note Intercreditor Agreement and the Series G Guarantee Lien Acknowledgement on behalf of such Lender and agrees that Agent may take such actions on its behalf as is contemplated by the terms of the 2015 Note Intercreditor Agreement and the Series G Guarantee Lien Acknowledgement, and (iv) acknowledges (or is deemed to acknowledge) that a copy of the 2015 Note Intercreditor Agreement and the Series G Guarantee Lien Acknowledgement was delivered, or made available, to such Lender and it has received and reviewed such agreements. In the event of any conflict between the terms of the 2015 Note Intercreditor Agreement and any of the other Loan Documents, the terms of the 2015 Note Intercreditor Agreement shall govern and control except as expressly set forth in the 2015 Note Intercreditor Agreement. In the event of any conflict between the terms of the Series G Guarantee Lien Acknowledgement and any of the other Loan Documents, the terms of the Series G Guarantee Lien Acknowledgement shall govern and control except as expressly set forth in the Series G Guarantee Lien Acknowledgement.

16. WITHHOLDING TAXES.

16.1. No Setoff; Payments. All payments made by any Borrower hereunder or under any note or other Loan Document will be made without setoff, counterclaim, or other defense. In addition, all such payments will be made free and clear of, and without deduction or withholding for, any present or future Taxes, and in the event any deduction or withholding of Taxes is required, Borrowers shall comply with the next sentence of this Section 16.1. If any Taxes are so levied or imposed, Borrowers agree to pay the full amount of such Taxes and such additional amounts as may be necessary so that every payment of all amounts due under this Agreement, any note, or Loan Document, including any amount paid pursuant to this Section 16.1 after withholding or deduction for or on account of any Taxes, will not be less than the amount provided for herein; provided, that, Borrowers shall not be required to increase any such amounts if the increase in such amount payable results from Agent's or such Lender's own willful misconduct or gross negligence (as finally determined by a court of competent jurisdiction). Borrowers will furnish to Agent as promptly as possible after the date the payment of any Tax is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by Borrowers or such other evidence as is reasonably satisfactory to Agent. Borrowers agree to pay any present or future stamp, value added or documentary taxes or any other excise or property taxes, similar charges, or similar levies that arise from any payment made hereunder or from the execution, delivery, performance, recordation, or filing of, or otherwise with respect to this Agreement or any other Loan Document.

16.2. Exemptions.

(a) If a Lender or Participant is entitled to claim an exemption or reduction from United States withholding tax, such Lender or Participant agrees with and in favor of Agent, to deliver to Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the participation only) one of the following before receiving its first payment under this Agreement:

(i) if such Lender or Participant is entitled to claim an exemption from United States withholding tax pursuant to the portfolio interest exception, (A) a statement of the Lender or Participant, signed under penalty of perjury, that it is not a (1) a "bank" as described in Section 881(c)(3)(A) of the IRC, (2) a ten percent (10%) shareholder of any Borrower (within the meaning of Section 871(h)(3)(B) of the IRC), or (3) a controlled foreign corporation related to any Borrower within the meaning of Section 864(d)(4) of the IRC, and (B) a properly completed and executed IRS Form W-8BEN or Form W-8IMY (with proper attachments);

(ii) if such Lender or Participant is entitled to claim an exemption from, or a reduction of, withholding tax under a United States tax treaty, a properly completed and executed copy of IRS Form W-8BEN;

(iii) if such Lender or Participant is entitled to claim that interest paid under this Agreement is exempt from United States withholding tax because it is effectively connected with a United States trade or business of such Lender, a properly completed and executed copy of IRS Form W-8ECI;

(iv) if such Lender or Participant is entitled to claim that interest paid under this Agreement is exempt from United States withholding tax because such Lender or Participant serves as an intermediary, a properly completed and executed copy of IRS Form W-8IMY (with proper attachments); or

(v) a properly completed and executed copy of any other form or forms, including IRS Form W-9, as may be required under the IRC or other laws of the United States as a condition to exemption from, or reduction of, United States withholding or backup withholding tax, including under FATCA.

(b) Each Lender or Participant shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms and to promptly notify Agent (or, in the case of a Participant, to the Lender granting the participation only) of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(c) If a Lender or Participant claims an exemption from withholding tax in a jurisdiction other than the United States, such Lender or such Participant agrees with and in favor of Agent and Borrowers to deliver to Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the participation only) any such form or forms, as may be required under the laws of such jurisdiction as a condition to exemption from, or reduction of, foreign withholding or backup withholding tax before receiving its first payment under this Agreement, but only if such Lender or such Participant is legally able to deliver such forms, provided, that, nothing in this Section 16.2(c) shall require a Lender or Participant to disclose any information that it deems to be confidential (including without limitation, its tax returns). Each Lender and each Participant shall provide new forms (or successor forms) upon the

expiration or obsolescence of any previously delivered forms and to promptly notify Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the participation only) of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(d) If a Lender or Participant claims exemption from, or reduction of, withholding tax and such Lender or Participant sells, assigns, grants a participation in, or otherwise transfers all or part of the Obligations of Borrowers to such Lender or Participant, such Lender or Participant agrees to notify Agent and Administrative Borrower (or, in the case of a sale of a participation interest, to the Lender granting the participation only) of the percentage amount in which it is no longer the beneficial owner of Obligations of Borrowers to such Lender or Participant. To the extent of such percentage amount, Agent and Administrative Borrower will treat such Lender's or such Participant's documentation provided pursuant to Section 16.2(c) or 16.2(d) as no longer valid. With respect to such percentage amount, such Participant or Assignee may provide new documentation, pursuant to Section 16(c) or 16(d), if applicable. Each Borrower agrees that each Participant shall be entitled to the benefits of this Section 16 with respect to its participation in any portion of the Commitments and the Obligations so long as such Participant complies with the obligations set forth in this Section 16 with respect thereto.

16.3. Reductions.

(a) If a Lender or a Participant is entitled to a reduction in the applicable withholding tax, Agent (or, in the case of a Participant, to the Lender granting the participation) may withhold from any interest payment to such Lender or such Participant an amount equivalent to the applicable withholding tax after taking into account such reduction. If the forms or other documentation required by Section 16.2(c) or 16.2(d) are not delivered to Agent and Administrative Borrower (or, in the case of a Participant, to the Lender granting the participation), then Agent and Borrowers (or, in the case of a Participant, to the Lender granting the participation) may withhold from any interest payment to such Lender or such Participant not providing such forms or other documentation an amount equivalent to the applicable withholding tax.

(b) If the IRS or any other Governmental Authority of the United States or other jurisdiction asserts a claim that Agent (or, in the case of a Participant, to the Lender granting the participation) did not properly withhold tax from amounts paid to or for the account of any Lender or any Participant due to a failure on the part of the Lender or any Participant (because the appropriate form was not delivered, was not properly executed, or because such Lender failed to notify Agent (or such Participant failed to notify the Lender granting the participation) of a change in circumstances which rendered the exemption from, or reduction of, withholding tax ineffective, or for any other reason) such Lender shall indemnify and hold Agent harmless (or, in the case of a Participant, such Participant shall indemnify and hold the Lender granting the participation harmless) for all amounts paid, directly or indirectly, by Agent (or, in the case of a Participant, to the Lender granting the participation), as tax or otherwise, including penalties and interest, and including any taxes imposed by any jurisdiction on the amounts payable to Agent (or, in the case of a Participant, to the Lender granting the participation only) under this Section 16, together with all costs and expenses (including attorneys' fees and expenses). The obligation of the Lenders and the Participants under this subsection shall survive the payment of all Obligations and the resignation or replacement of Agent.

16.4. Refunds. If Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes as to which it has been indemnified by Borrowers or with respect to which Borrowers have paid additional amounts pursuant to this Section 16, so long as no Default or Event of Default has occurred and is continuing, it shall pay over such refund to Borrowers (but only to the extent of payments made, or additional amounts paid, by Borrowers under this Section 16 with respect to Taxes giving rise to such a refund), net of all out-of-pocket expenses of Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such a refund); provided, that Borrowers, upon the request of Agent or such Lender, agree to repay the amount paid over to Borrowers (plus any penalties, interest or other charges, imposed by the relevant Governmental Authority, other than such penalties, interest or other charges imposed as a result of the bad faith, willful misconduct or gross negligence of Agent hereunder) to Agent or such Lender in the event Agent or such Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything in this Agreement to the contrary, this Section 16 shall not be construed to require Agent or any Lender to make available its tax returns (or any other information which it deems confidential) to any Borrower or any other Person.

17. GENERAL PROVISIONS.

17.1. Effectiveness. This Agreement shall be binding and deemed effective when executed by each Loan Party, Agent, and each Lender whose signature is provided for on the signature pages hereof

17.2. Section Headings. Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

17.3. Interpretation. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender Group or any Loan Party, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

17.4. Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

17.5. Bank Product Providers. Each Bank Product Provider shall be deemed a third party beneficiary hereof and of the provisions of the other Loan Documents for purposes of any reference in a Loan Document to the parties for whom Agent is acting. Agent hereby agrees to act as agent for such Bank Product Providers and, as a result of entering into a Bank Product Agreement, the applicable Bank Product Provider shall be automatically deemed to have appointed Agent as its agent and to have accepted the benefits of the Loan Documents; provided, that, the rights and benefits of each Bank Product Provider under the Loan Documents consist exclusively of such Bank Product Provider's being a beneficiary of the Liens and security interests (and, if applicable, guarantees) granted to Agent and the right to share in proceeds of the Collateral as more fully set forth herein. In addition, each Bank Product Provider, as a result of entering into a Bank Product Agreement, shall be automatically deemed to have agreed that Agent shall have the right, but shall have no obligation, to establish, maintain, reduce, or release reserves in respect of the Bank Product Obligations and that if reserves are established there is no obligation on the part of Agent to determine or insure whether the amount of any such reserve is appropriate or not. In connection with any such distribution of payments or proceeds of Collateral, Agent shall be entitled to assume no amounts are due or owing to any Bank Product Provider unless such Bank Product Provider has provided a written certification (setting forth a reasonably detailed calculation) to Agent as to the amounts that are due and owing to it and such written certification is received by Agent a reasonable period of time prior to the making of such distribution. Agent shall have no obligation to calculate the amount due and payable with respect to any Bank Products, but may rely upon the written certification of the amount due and payable from the relevant Bank Product Provider. In the absence of an updated certification, Agent shall be entitled to assume that the amount due and payable to the applicable Bank Product Provider is the amount last certified to Agent by such Bank Product Provider as being due and payable (less any distributions made to such Bank Product Provider on account thereof). Any Borrower may obtain Bank Products from any Bank Product Provider, although no Borrower is required to do so. Each Borrower acknowledges and agrees that no Bank Product Provider has committed to provide any Bank Products and that the providing of Bank Products by any Bank Product Provider is in the sole and absolute discretion of such Bank Product Provider. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, no provider or holder of any Bank Product shall have any voting or approval rights hereunder (or be deemed a Lender) solely by virtue of its status as the provider or holder of such agreements or products or the Obligations owing thereunder, nor shall the consent of any such provider or holder be required (other than in their capacities as Lenders, to the extent applicable) for any matter hereunder or under any of the other Loan Documents, including as to any matter relating to the Collateral or the release of Collateral or Guarantors.

17.6. Debtor-Creditor Relationship. The relationship between the Lenders and Agent, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. No member of the Lender Group has (or shall be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in

connection with the Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between the members of the Lender Group, on the one hand, and the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

17.7. Counterparts; Electronic Execution. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Loan Document mutatis mutandis.

17.8. Revival and Reinstatement of Obligations. If the incurrence or payment of the Obligations by any Borrower or Guarantor or the transfer to the Lender Group of any property should for any reason subsequently be asserted, or declared, to be void or voidable under any state or federal law relating to creditors' rights, including provisions of the Bankruptcy Code (or under any bankruptcy or insolvency laws of Canada, including the BIA and the CCAA) relating to fraudulent conveyances, preferences, or other voidable or recoverable payments of money or transfers of property (each, a "Voidable Transfer"), and if the Lender Group is required to repay or restore, in whole or in part, any such Voidable Transfer, or elects to do so upon the reasonable advice of counsel, then, as to any such Voidable Transfer, or the amount thereof that the Lender Group is required or elects to repay or restore, and as to all reasonable costs, expenses, and attorneys' fees of the Lender Group related thereto, the liability of Borrowers or Guarantor automatically shall be revived, reinstated, and restored and shall exist as though such Voidable Transfer had never been made.

17.9. Confidentiality.

(a) Agent and Lenders each individually (and not jointly or jointly and severally) agree that material, non-public information regarding Parent and its Subsidiaries, their operations, assets, and existing and contemplated business plans ("Confidential Information") shall be treated by Agent and the Lenders in a confidential manner, and shall not be disclosed by Agent and the Lenders to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to any member of the Lender Group and to employees, directors and officers of any member of the Lender Group (the Persons in this clause (i), "Lender Group Representatives") on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates of any member of the Lender Group (including the Bank Product Providers), provided that any such Subsidiary or Affiliate shall have agreed to receive such information hereunder subject to the terms of this Section 17.9, (iii) as may be required by

regulatory authorities so long as such authorities are informed of the confidential nature of such information, (iv) as may be required by statute, decision, or judicial or administrative order, rule, or regulation; provided that (x) prior to any disclosure under this clause (iv), the disclosing party agrees to provide Administrative Borrower with prior notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior notice to Borrowers pursuant to the terms of the applicable statute, decision, or judicial or administrative order, rule, or regulation and (y) any disclosure under this clause (iv) shall be limited to the portion of the Confidential Information as may be required by such statute, decision, or judicial or administrative order, rule, or regulation, (v) as may be agreed to in advance in writing by Borrowers, (vi) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process, provided, that, (A) prior to any disclosure under this clause (vi) the disclosing party agrees to provide Borrowers with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrowers pursuant to the terms of the subpoena or other legal process and (B) any disclosure under this clause (vi) shall be limited to the portion of the Confidential Information as may be required by such Governmental Authority pursuant to such subpoena or other legal process, (vii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Agent or the Lenders or the Lender Group Representatives), (viii) in connection with any assignment, participation or pledge of any Lender's interest under this Agreement, provided that prior to receipt of Confidential Information any such assignee, participant, or pledgee shall have agreed in writing to receive such Confidential Information hereunder subject to the terms of this Section, (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents; provided, that, prior to any disclosure to any Person (other than any Loan Party, Agent, any Lender, any of their respective Affiliates, or their respective counsel) under this clause (ix) with respect to litigation involving any Person (other than any Borrower, Agent, any Lender, any of their respective Affiliates, or their respective counsel), the disclosing party agrees to provide Borrowers with prior written notice thereof, and (x) in connection with, and to the extent reasonably necessary for, the exercise of any secured creditor remedy under this Agreement or under any other Loan Document.

(b) Anything in this Agreement to the contrary notwithstanding, Agent may provide customary information concerning the terms and conditions of this Agreement and the other Loan Documents to loan syndication and pricing reporting services or for its marketing materials, with such information to consist of deal terms and other information customarily found in such publications or marketing materials and may otherwise use the name, logos, and other insignia of Borrowers and Loan Parties and the Commitments provided hereunder in any "tombstone" or other advertisements, on its website or in other marketing materials of the Agent, provided, that, the content of any "tombstones" will be reasonably acceptable to Parent.

17.10. Lender Group Expenses. Borrowers agree to pay any and all Lender Group Expenses on the earlier of (a) the first day of the month following the date on which such Lender Group Expenses were first incurred (or in the case of out-of-pocket expenses for third parties, following the date that Agent provides the invoice or other notice of such charges to Administrative Borrower) or (b) five (5) days after the date on which demand therefor is made by Agent. Borrowers agree that their respective obligations contained in this Section 17.10 shall survive payment or satisfaction in full of all other Obligations.

17.11. Survival. All representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Agent, the Issuing Lender, or any Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated.

17.12. Patriot Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies Borrowers that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies each Borrower, which information includes the name and address of each Borrower and other information that will allow such Lender to identify each Borrower in accordance with the Patriot Act. In addition, if Agent is required by law or regulation or internal policies to do so, it shall have the right to periodically conduct (a) Patriot Act searches, OFAC/PEP searches, and customary individual background checks for the Loan Parties and (b) OFAC/PEP searches and customary individual background checks for the Loan Parties' senior management and key principals, and each Borrower agrees to cooperate in respect of the conduct of such searches and further agrees that the reasonable costs and charges for such searches shall constitute Lender Expenses hereunder and be for the account of such Borrower.

17.13. Integration. This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof. The foregoing to the contrary notwithstanding, all Bank Product Agreements, if any, are independent agreements governed by the written provisions of such Bank Product Agreements, which will remain in full force and effect, unaffected by any repayment, prepayments, acceleration, reduction, increase, or change in the terms of any credit extended hereunder, except as otherwise expressly provided in such Bank Product Agreement.

17.14. Administrative Borrower as Agent for Borrowers.

(a) Each Borrower hereby irrevocably appoints and constitutes Parent ("Administrative Borrower") as its agent and attorney-in-fact to request and receive Loans and Letters of Credit pursuant to this Agreement and the other Loan Documents from Agent or any Lender or Issuing Lender in the name or on behalf of such Borrower. Agent, Lenders and Issuing Lender may disburse the Loans to such bank account of Administrative Borrower or a Borrower or otherwise make such Loans to a Borrower and provide such Letters of Credit to a Borrower as Administrative Borrower may designate or direct, without notice to any other Loan Party. Notwithstanding anything to the contrary contained herein, Agent may at any time and from time to time require that Loans to or for the account of any Borrower be disbursed directly to an operating account of such Borrower.

(b) Administrative Borrower hereby accepts the appointment by Borrowers to act as the agent and attorney-in-fact of Borrowers pursuant to this Section 17.14. Administrative Borrower shall ensure that the disbursement of any Loans to each Borrower requested by or paid to or for the account of Parent, or the issuance of any Letter of Credit for a Borrower hereunder, shall be paid to or for the account of such Borrower.

(c) Each Loan Party hereby irrevocably appoints and constitutes Administrative Borrower as its agent to receive statements on account and all other notices from Agent, Lenders and Issuing Lender with respect to the Obligations or otherwise under or in connection with this Agreement and the other Loan Documents.

(d) Any notice, election, representation, warranty, agreement or undertaking by or on behalf of any other Loan Party by Administrative Borrower shall be deemed for all purposes to have been made by such Loan Party, as the case may be, and shall be binding upon and enforceable against such Loan Party to the same extent as if made directly by such Loan Party.

(e) No resignation or termination of the appointment of Administrative Borrower as agent as aforesaid shall be effective, except after ten (10) Business Days' prior written notice to Agent. If Administrative Borrower resigns under this Agreement, Borrowers shall be entitled to appoint a successor Administrative Borrower (which shall be a Borrower). Upon the acceptance of its appointment as successor Administrative Borrower hereunder, such successor Administrative Borrower shall succeed to all the rights, powers and duties of the retiring Administrative Borrower and the term "Administrative Borrower" shall mean such successor Administrative Borrower and the retiring or terminated Administrative Borrower's appointment, powers and duties as Administrative Borrower shall be terminated.

17.15. Currency Indemnity. If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Agreement or any of the other Loan Documents, it becomes necessary to convert into the currency of such jurisdiction (the "Judgment Currency") any amount due under this Agreement or under any of the other Loan Documents in any currency other than the Judgment Currency (the "Currency Due"), then conversion shall be made at the Exchange Rate at which Agent is able, on the relevant date, to purchase the Currency Due with the Judgment Currency prevailing on the Business Day before the day on which judgment is given. In the event that there is a change in the Exchange Rate prevailing between the Business Day before the day on which the judgment is given and the date of receipt by Agent of the amount due, Borrowers will, on the date of receipt by Agent, pay such additional amounts, if any, as may be necessary to ensure that

the amount received by Agent on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by Agent is the amount then due under this Agreement or such other of the Loan Documents in the Currency Due. If the amount of the Currency Due which Agent is able to purchase is less than the amount of the Currency Due originally due to it, Loan Parties shall indemnify and save Agent harmless from and against loss or damage arising as a result of such deficiency. The indemnity contained herein shall constitute an obligation separate and independent from the other obligations contained in this Agreement and the other Loan Documents, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Agent from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due under this Agreement or any of the other Loan Documents or under any judgment or order.

17.16. Anti-Money Laundering Legislation.

(a) Each Loan Party acknowledges that, pursuant to the Proceeds of Crime Money Laundering) and Terrorist Financing Act (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws, under the laws of Canada (collectively, including any guidelines or orders thereunder, "AML Legislation"), Agent and Lenders may be required to obtain, verify and record information regarding each Loan Party, its respective directors, authorized signing officers, direct or indirect shareholders or other Persons in control of such Loan Party, and the transactions contemplated hereby. Administrative Borrower shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or Agent, or any prospective assign or participant of a Lender or Agent, necessary in order to comply with any applicable AML Legislation, whether now or hereafter in existence.

(b) If Agent has ascertained the identity of any Loan Party or any authorized signatories of any Loan Party for the purposes of applicable AML Legislation, then the Agent:

(i) shall be deemed to have done so as an agent for each Lender, and this Agreement shall constitute a "written agreement" in such regard between each Lender and the Agent within the meaning of applicable AML Legislation; and

(ii) shall provide to each Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

(c) Notwithstanding the provisions of this Section and except as may otherwise be agreed in writing, each Lender agrees that Agent has no obligation to ascertain the identity of the Loan Parties or any authorized signatories of the Loan Parties on behalf of any Lender, or to confirm the completeness or accuracy of any information it obtains from the Loan Parties or any such authorized signatory in doing so.

17.17. Quebec Interpretation. For all purposes of any assets, liabilities or entities located in the Province of Quebec and for all purposes pursuant to which the interpretation or construction of this Agreement may be subject to the laws of the Province of Quebec or a court or tribunal exercising jurisdiction in the Province of Quebec, (a) "personal property" shall include "movable property", (b) "real property" shall include "immovable property", (c) "tangible property" shall include "corporeal property", (d) "intangible property" shall include "incorporeal property", (e) "security interest", "mortgage" and "lien" shall include a "hypothec", "prior claim" and a "resolutory clause", (f) all references to filing, registering or recording under the Code or PPSA shall include publication under the Civil Code of Quebec, (g) all references to "perfection" of or "perfected" liens or security interest shall include a reference to an "opposable" or "set up" lien or security interest as against third parties, (h) any "right of offset", "right of setoff' or similar expression shall include a "right of compensation", (i) "goods" shall include corporeal movable property" other than chattel paper, documents of title, instruments, money and securities, (j) an "agent" shall include a "mandatary", (k) "construction liens" shall include "legal hypothecs", (l) "joint and several" shall include solidary, (m) "gross negligence or willful misconduct" shall be deemed to be "intentional or gross fault", (n) "beneficial ownership" shall include "ownership on behalf of another as mandatary", (o) "easement" shall include "servitude", (p) "priority" shall include "prior claim", (q) "survey" shall include "certificate of location and plan", and (r) "fee simple title" shall include "absolute ownership".

17.18. English Language Only. The parties hereto confirm that it is their wish that this Agreement and any other document executed in connection with the transactions contemplated hereby be drawn up in the English language only and that all other documents contemplated hereunder or relating hereto, including notices, shall also be drawn up in the English language only. Les parties aux presentes confirment que c'est leur volonte que cette convention et les autres documents de credit soient rediges en langue anglaise seulement et que tous les documents, y compris tous avis, envisages par cette convention et les autres documents peuvent etre rediges en langue anglaise seulement.

17.19. Hedging Liability. Notwithstanding any provision hereof or in any other Loan Document to the contrary, in the event that any Guarantor is not an "eligible contract participant" as such term is defined in Section 1(a)(18) of the Commodity Exchange Act, as amended, at the time (i) any transaction is entered into under a Hedge Obligations or (ii) such Person becomes a Guarantor hereunder, and the effect of the foregoing would be to render a Guaranty by such Guarantor violative of the Commodity Exchange Act, the Obligations of such Guarantor shall not include (x) in the case of clause (i) above, such transaction and (y) in the case of clause (ii) above, any transactions outstanding under any Hedge Obligations as of the date such Guarantor becomes a Guarantor hereunder.

[Signature pages to follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first above written.

U.S. BORROWERS:

POLYONE CORPORATION

By: /s/ Daniel J. O'Bryon
Name: Daniel J. O'Bryon
Title: Vice President and Treasurer

GLS INTERNATIONAL, INC.

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Secretary

NEU SPECIALTY ENGINEERED MATERIALS, LLC

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Assistant Secretary

CANADIAN BORROWER:

POLYONE CANADA INC.

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Secretary

GUARANTORS:

M.A. HANNA ASIA HOLDING COMPANY

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Assistant Secretary

POLYONE LLC

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Manager

CONEXUS, INC.
POLYMER DIAGNOSTICS, INC.
COLORMATRIX GROUP, INC.
COLORMATRIX HOLDINGS, INC.
THE COLORMATRIX CORPORATION
CHROMATICS, INC.
GAYSON SILICONE DISPERSIONS, INC.
COLORMATRIX – BRAZIL, LLC

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Secretary

GLASFORMS, INC.

By: /s/ Woodrow W. Ban
Name: Woodrow W. Ban
Title: Assistant Secretary

WELLS FARGO CAPITAL FINANCE, LLC, as Agent, Swing Line Lender and a Lender

By: /s/ Melissa Provost
Name: Melissa Provost
Title: Vice President

WELLS FARGO CAPITAL FINANCE CORPORATION CANADA,
as a Lender

By: /s/ Raymond Eghebamien
Name: Raymond Eghebamien
Title: Vice President

BANK OF AMERICA, N.A., as a Syndication Agent and a Lender

By: /s/ Charles Fairchild
Name: Charles Fairchild
Title: Vice President

BANK OF AMERICA, N.A., CANADA BRANCH, as a Lender

By: /s/ Medina Sales de Andrade
Name: Medina Sales de Andrade
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, as a Syndication Agent and a Lender

By: /s/ Christopher Fudge
Name: Christopher Fudge
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION, CANADA BRANCH, as a Lender

By: /s/ Joseph Rauhala
Name: Joseph Rauhala
Title: Principal Officer

CITIBANK, N.A., as a Lender

By: /s/ Matthew Paquin
Name: Matthew Paquin
Title: Director & Vice President

HSBC BANK USA, N.A., as a Lender

By: /s/ Frank M. Eassa
Name: Frank M. Eassa
Title: Vice President, Corporate Banking

KEYBANK NATIONAL ASSOCIATION, as a Documentation Agent and a Lender

By: /s/ Paul H. Steiger
Name: Paul H. Steiger
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION, as a Documentation Agent and a Lender

By: /s/ Roger F. Reeder
Name: Roger F. Reeder
Title: Vice President

PNC BANK CANADA BRANCH, as a Lender

By: /s/ Mike Danby
Name: Mike Danby
Title: Assistant Vice President

THE HUNTINGTON BANK, as a Lender

By: /s/ Dennis Hatvany
Name: Dennis Hatvany
Title: Senior Vice President

RBS CITIZENS BUSINESS CAPITAL, a division of RBS Citizens, N.A., as a Lender

By: /s/ Ira J. Kreft
Name: Ira J. Kreft
Title: Managing Director

EXHIBIT A-1

FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

This **ASSIGNMENT AND ACCEPTANCE AGREEMENT** ("Assignment Agreement") is entered into as of between ("Assignor") and ("Assignee"). Reference is made to the Agreement described in Annex I hereto (the "Credit Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

1. In accordance with the terms and conditions of Section 13 of the Credit Agreement, the Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, that interest in and to the Assignor's rights and obligations under the Loan Documents as of the date hereof with respect to the Obligations owing to the Assignor, and Assignor's portion of the Commitments, all to the extent specified on Annex I.

2. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim and (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; (b) makes no representation or warranty and assumes no responsibility with respect to (i) any statements, representations or warranties made in or in connection with the Loan Documents, or (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any other instrument or document furnished pursuant thereto; (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Loan Party or the performance or observance by any Loan Party of any of their respective obligations under the Loan Documents or any other instrument or document furnished pursuant thereto, and (d) represents and warrants that the amount set forth as the Purchase Price on Annex I represents the amount owed by Borrowers to Assignor with respect to Assignor's share of the Revolving Loans assigned hereunder, as reflected on Assignor's books and records.

3. The Assignee (a) confirms that it has received copies of the Credit Agreement and the other Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon Agent, Assignor, or any other Lender, based upon such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under the Loan Documents; (c) confirms that it is an Eligible Transferee; (d) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under the Loan Documents as are delegated to Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (e) agrees that 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; (f) is a Non-Defaulting Lender; **[and (g) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty.]**

4. Following the execution of this Assignment Agreement by the Assignor and Assignee, the Assignor will deliver this Assignment Agreement to the Agent for recording by the Agent. The effective date of this Assignment (the "Settlement Date") shall be the latest to occur of (a) the date of the execution and delivery hereof by the Assignor and the Assignee, (b) the receipt by Agent for its sole and separate account a processing fee in the amount of $3,500 (if required by the Credit Agreement), (c) the receipt of any required consent of the Agent, and (d) the date specified in Annex I.

5. As of the Settlement Date (a) the Assignee shall be a party to the Credit Agreement and, to the extent of the interest assigned pursuant to this Assignment Agreement, have the rights and obligations of a Lender thereunder and under the other Loan Documents, and (b) the Assignor shall, to the extent of the interest assigned pursuant to this Assignment Agreement, relinquish its rights and be released from its obligations under the Credit Agreement and the other Loan Documents, provided, however, that nothing contained herein shall release any assigning Lender from obligations that survive the termination of this Agreement, including such assigning Lender's obligations under Article 15 and Section 17.9(a) of the Credit Agreement.

6. Upon the Settlement Date, Assignee shall pay to Assignor the Purchase Price (as set forth in Annex I). From and after the Settlement Date, Agent shall make all payments that are due and payable to the holder of the interest assigned hereunder (including payments of principal, interest, fees and other amounts) to Assignor for amounts which have accrued up to but excluding the Settlement Date and to Assignee for amounts which have accrued from and after the Settlement Date. On the Settlement Date, Assignor shall pay to Assignee an amount equal to the portion of any interest, fee, or any other charge that was paid to Assignor prior to the Settlement Date on account of the interest assigned hereunder and that are due and payable to Assignee with respect thereto, to the extent that such interest, fee or other charge relates to the period of time from and after the Settlement Date.

7. This Assignment Agreement may be executed in counterparts and by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. This Assignment Agreement may be executed and delivered by telecopier or other facsimile transmission all with the same force and effect as if the same were a fully executed and delivered original manual counterpart.

8. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement and Annex I hereto to be executed by their respective officers, as of the first date written above.

[NAME OF ASSIGNOR]
as Assignor

By _____
Name _____
Title _____

[NAME OF ASSIGNEE]
as Assignor

By _____
Name _____
Title _____

ACCEPTED THIS _____ DAY OF

_____

WELLS FARGO CAPITAL FINANCE, LLC
as Administrative Agent

By _____
Name _____
Title _____

[POLYONE CORPORATION,
as Administrative Borrower

By _____
Name _____
Title _____][1]

[1] If required by Section 13.1.

ANNEX FOR ASSIGNMENT AND ACCEPTANCE

ANNEX I

1.	Borrowers:	PolyOne Corporation ("Parent"), GLS International, Inc. ("GLS"), PolyOne Canada Inc. ("PolyOne Canada") and NEU Specialty Engineered Materials, LLC ("NEU" and, together with Parent, GLS, PolyOne Canada and any Person that may from time to time become a borrower, each a "Borrower" and, collectively, "Borrowers")
2.	Name and Date of Credit Agreement:	Amended and Restated Credit Agreement, dated as of March 1, 2013, by and among Borrowers, certain subsidiaries of Parent, as Guarantors, the lenders from time to time a party thereto (the "Lenders") and Wells Fargo Capital Finance, LLC, as the administrative agent for the Lenders
3.	Date of Assignment Agreement:	_____
4.	Amounts:	
	a. Assigned Amount of **[US] [Canadian]** Commitment	$_____
	b. Assigned Amount of **[US] [Canadian]** Revolving Loans	$_____
5.	Settlement Date:	_____
6.	Purchase Price	$_____
7.	Notice and Payment Instructions, etc.	
	Assignee:	Assignor:
	_____	_____
	_____	_____
	_____	_____

8. Agreed and Accepted:

[ASSIGNOR]

By: _____
Title: _____

[ASSIGNEE]

By: _____
Title: _____

Accepted:

WELLS FARGO CAPITAL FINANCE, LLC,
as Administrative Agent

By _____
Name _____
Title _____

[POLYONE CORPORATION,
as Administrative Borrower

By _____
Name _____
Title _____][2]

[2] If required by Section 13.1.

EXHIBIT B-1

FORM OF US BORROWING BASE CERTIFICATE

See attached.

WELLS FARGO

Summary Page Borrowing Base Certificate

Date _____

Name PolyOne Corporation

A/R As of: _____

Inventory As of: _____

The undersigned, PolyOne Corporation ("Borrower"), pursuant to that certain Credit Agreement dated as of (as amended, restated, modified, supplemented, refinanced, renewed, or extended from time to time, the "Credit Agreement"), entered into among Borrower, the lenders signatory thereto from time to time and Wells Fargo Capital Finance, LLC, a Delaware limited liability company as the arranger and administrative agent (in such capacity, together with its successors and assigns, if any, in such capacity, "Agent"), hereby certifies to Agent that the following items, calculated in accordance with the terms and definitions set forth in the Credit Agreement for such items are true and correct, and that Borrower is in compliance with and, after giving effect to any currently requested Advances, will be in compliance with, the terms, conditions, and provisions of the Credit Agreement.

Accounts Receivable

	US	Canada	Consolidated
Accounts Receivable Balance per Aging Report Assigned To Wells Fargo Capital Finance			
Less Ineligibles (detailed on page 2)			
Net Eligible Accounts Receivable			
Accounts Receivable Availability before Sublimit(s)			
Net Available Accounts Receivable after Sublimit(s)			

Inventory

	US	Canada	Consolidated
Inventory Balance Assigned To Wells Fargo Capital Finance			
Less Ineligibles (detailed on page 3)			
Eligible Inventory			
Inventory Availability before Sublimit(s)			
Available Inventory after 60% of Maximum Credit Sublimit(s)			

Summary

Availability before Credit Line & Reserves				
Total Credit Line			50,000,000.00	400,000,000.00
	Suppressed Availability			
Total Availability before Reserves				
Reserves				
Reserve for 2015 Debentures				
Rent Reserve				
3rd Party Warehouse Reserve				
Reserve for Sunbelt Series G Notes Guarantee				
Total Reserves				
Availability before Loan Balance				
Letter of Credit Balance	As of: ____			
Loan Ledger Balance	As of: ____			
Cash in-transit				
Adjusted Loan Balance				
Net Availability				

Additionally, the undersigned hereby certifies and represents and warrants to the Lender Group on behalf of Borrower that (i) as of the date hereof, each representation or warranty contained in or pursuant to any Loan Document, any agreement, instrument, certificate, document or other writing furnished at any time under or in connection with any Loan Document, and as of the effective date of any advance, continuation or conversion requested above is true and correct in all material respects (except to the extent any representation or warranty expressly related to an earlier date), (ii) each of the covenants and agreements contained in any Loan Document have been performed (to the extent required to be performed on or before the date hereof or each such effective date), (iii) no Default or Event of Default has occurred and is continuing on the date hereof, nor will any thereof occur after giving effect to the request above, and (iv) all of the foregoing is true and correct as of the effective date of the calculations set forth above and that such calculations have been made in accordance with the requirements of the Credit Agreement.

_____

Authorized Signer

List of attachments with this Borrowing Base Certificate:

Page 2—Accounts Receivable Availability Detail
Page 2a—Accounts Receivable Summary
Page 2b—Accounts Receivable Concentrations
Page 2c—Accounts Receivable Dilution
Page 3—Inventory Availability Detail
Page 3a—Inventory Availability Detail
Page 3b—Inventory Availability Summary

Accounts Receivable Availability Detail

Name: PolyOne Corporation
Report based on Aging dated:

		Loan ID #:	—	—	—	
		Division Name:	US PolyOne (includes GLS)	Color Matrix	Canada PolyOne (USD)	**Total**
Aging Spreads:						
	Future					
	0 - 30 DOI					
	31 - 60 DOI					
	61 - 90 DOI					
	91 - 120 DOI					
	121+ DOI					
A/R Aging Balance:						
Ineligibles:						
ERS	Past Due-121+DOI; 61+DPD					
ERS	Past Due Credits					
ERS	CrossAge					
ERS	Intercompany					
ERS	Foreign					
ERS	Government					
ERS	COD					
ERS	Debit Memo					
ERS	Customer Deposits					
ERS	Employee Sales					
ERS	Progress Billing					
ERS	Extended Terms					
ERS	Finance Charges					
ERS	Guaranteed					
ERS	Coop Advertising					
ERS	Samples					
ERS	Consignment Sales					
ERS	Bill & Hold					
ERS	Bankrupt/Doubtful					
ERS	Contra					
ERS	Other1-Shortpays					
ERS	Other2-Foreign (prior to insurance review)					
Formula	Other3-Eligible foreign credit ins add-back					
ERS	Other4					
ERS	Other5					
Formula	Other6->25MM Foreign Sub of US Entities					
ERS TB	Unbilled Sales/Credits (GL#120300)					
ERS TB	Rebates (GL#120500, #2015, #120550)					
Manual	Deferred Revenue (GL#460100 & GL#344450)					
Manual	FOB Destination Ineligible					
Manual	Manual5					
Manual	Concentration Cap					
ERS TB	PST/GST (GL#340150-#340210)-Reserve grossed up					
Manual	Canadian WEPA-Reserve grossed up					
Manual	Dilution Ineligible (grossed up)					
Total Ineligible A/R:						
Eligible A/R						
Advance Rate			85%	85%	85%	
A/R Availability before Sublimit(s)						
Line Limit or Sublimit(s)						
Net A/R Availability						

RM Signature _____

Accounts Receivable Availability Summary

Name: PolyOne Corporation

POST TO LUCAS

Report based on Aging dated:

		Loan ID #:	**PCIA0**	**PCIB1**	
		Pool Name:	US PolyOne (USD)	Canada PolyOne (USD)	**Total**
Aging Spreads:					
	Future				
	1 - 30 DOI				
	31 - 60 DOI				
	61 - 90 DOI				
	91 - 120 DOI				
	121+ DOI				
A/R Aging Balance:					
Ineligibles:					
ERS	Past Due-121+DOI; 61+DPD				
ERS	Past Due Credits				
ERS	CrossAge				
ERS	Intercompany				
ERS	Foreign				
ERS	Government				
ERS	COD				
ERS	Debit Memo				
ERS	Customer Deposits				
ERS	Employee Sales				
ERS	Progress Billing				
ERS	Extended Terms				
ERS	Finance Charges				
ERS	Guaranteed				
ERS	Coop Advertising				
ERS	Samples				
ERS	Consignment Sales				
ERS	Bill & Hold				
ERS	Bankrupt/Doubtful				
ERS	Contra				
ERS	Other1-Shortpays				
ERS	Other2-Foreign (prior to insurance review)				
ERS	Other3-Eligible foreign credit ins add-back				
ERS	Other4				
ERS	Other5				
ERS	Other6->25MM Foreign Sub of US Entities				
Manual	Unbilled Sales/Credits (GL#120300)				
Manual	Rebates (GL#120500, #2015, #120550)				
Manual	Deferred Revenue (GL#460100 & GL#344450)				
Manual	FOB Destination Ineligible				
Manual	Manual5				
Manual	Manual6				
Manual	Concentration Cap				
Manual	PST/GST (GL#340150-#340210)-Reserve grossed up				
Manual	Canadian WEPA-Reserve grossed up				
Manual	Dilution Ineligible (grossed up)				
Total Ineligible A/R:					
Eligible A/R					
Advance Rate			85%	85%	
A/R Availability before Sublimit(s)					
Line Limit or Sublimit(s)					
Net A/R Availability					
FYI—Total Eligible Receivables to US Based Multinational Corporations with a BBB- rating or better					

AR CONCENTRATIONS

PolyOne Corporation **As of:**_____

Consolidated

#	Customer Name Calc	% or $ Allowed of Eligible AR	% of Eligible	% of AR	Total	Future	0-30 DOI	31-60 DOI	61-90 DOI	91-120 DOI	121+ DOI	Ineligibles Total	Eligible A/R	Conc Cap	Conc IE	% of Balance
1																
2																
3																
4																
5																
6																
7																
8																
9																
10																
	Total Analyzed															

CONSOLIDATED TOTAL AR									
Remaining AR									

Ineligible AR Prior to Concentration Ineligible	
Net Eligible AR Prior to Concentration Ineligible	

Concentration Caps or Limits per LSA:

Names (Customer_Name_Calc)	% or Dollar Cap
Whirlpool A/R	15%
All Others	10%

AR DILUTION

Per Field Exam

	US PolyOne (includes GLS)	*Color Matrix*	*Canada PolyOne (USD)*
Dilution Calculation Detail:			
Allowed Dilution	*5.0%*	*5.0%*	*5.0%*
Current Dilution (per Field Exam—Consolidated)			
Dilution Reserve %			
Eligible Receivables			
Dilution Ineligible			
Dilution Ineligible (grossed up)			
Lookback period per LSA	12	12	12
Field exam cutoff date			

Inventory Availability Detail

Name: **PolyOne Corporation**

Based on the Inventory Perpetual dated:

	Loan ID #:	PCIA2	PCIA3	PCIA4	PCIA5	PCIA6	PCIAD	PCIAE	PCIAF	Total
	Inventory Category:	US - RM	US - WIP	US - FG	US - Stores	US - In-transit	Color Matrix - RM	Color Matrix - WIP	Color Matrix - EQUIP & FG	
ERS	ERS Perpetual Inventory Total:									
ERS	ERS Trial Balance Adjustments:									
Manual	Manual Inventory Total:									
	Total Gross Inventory:									
ERS TB	WIP									
ERS TB	Stores									
ERS	**Outside Processors/Offsite**									
ERS	Consigned									
ERS	Packaging									
ERS	Offgrade, Scrap, Rework									
ERS	Semi-Finished									
ERS	R&D									
ERS	Locations < $100M									
ERS	Ineligible10									
ERS TB	Slow Moving (GL# 148530, 148510)									
ERS TB	Tolling									
Manual	**In-transit not shipped to PolyOne**									
Manual	Dow branded inventory									
Manual	Producer Services Reserve									
Manual	Addl Resin Cost Capitalization									
Manual	Appraisal Reserve (grossed up)									
Total Ineligible Inventory:										
Eligible Inventory										
	Advance Rate	70.00%	0.00%	70.00%	0.00%	70.00%	70.00%	0.00%	70.00%	70.00%
Availability before Sublimit										
	Sublimits									
Net Inventory Availability										

RM Signature _____

Appraisal Review

As of: _____

		US - RM	US - WIP	US - FG	US - Stores	US - In-transit	Color Matrix - RM	Color Matrix - WIP	Color Matrix - EQUIP & FG
	Eligible Inventory per Appraisal								
	Appraised NOLV %								
85%	**% of NOLV**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	Appraised Value								
	Appraisal Reserve								
	Appraisal Ineligible (grossed up)								

Inventory Availability Detail
Name: PolyOne Corporation
Based on the Inventory Perpetual dated:

	Loan ID #:	PCIB4 Canada - RM (USD)	PCIB5 Canada - WIP (USD)	PCIB6 Canada - FG (USD)	PCIB7 Canada - In-transit (USD)	**Total**
	Inventory Category:					
	Total Gross Inventory:					
ERS TB	WIP					
ERS TB	Stores					
ERS	Outside Processors (Subcontractors)					
ERS	**Consigned**					
ERS	Packaging					
ERS	Offgrade, Scrap, Rework					
ERS	Semi-Finished					
ERS	R&D					
ERS	Locations < $100M					
ERS	**Ineligible10**					
ERS TB	Slow Moving (GL# 148530, 148510)					
ERS TB	Tolling					
Manual	In-transit not shipped to PolyOne					
Manual	Manual3					
Manual	Reserve grossed up as Ineligible					
Manual	Appraisal Reserve (grossed up)					
Total Ineligible Inventory:						
Eligible Inventory						
	Advance Rate	70.00%	0.00%	70.00%	70.00%	70.0%
Availability before Sublimit						
	Sublimits					30,000,000.00
Net Inventory Availability						

RM Signature

Appraisal Review
As of:

		Canada - RM (USD)	Canada - WIP (USD)	Canada - FG (USD)	Canada - In-transit (USD)
	Eligible Inventory per Appraisal				
	Appraised NOLV %				
85%	**% of NOLV**	0.00%	0.00%	0.00%	0.00%
	Appraised Value				
	Appraisal Reserve				
	Appraisal Ineligible (grossed up)				

Inventory Availability Summary
Name: **PolyOne Corporation**

Based on the Inventory Perpetual dated:

	Inventory Category:	US Consolidated Total	Canada Total	Consolidated
	ERS Perpetual Inventory Total:			
	ERS Trial Balance Adjustments:			
	Manual Inventory Total:			
	Total Gross Inventory:			
ERS TB	WIP			
ERS TB	**Stores**			
ERS	Outside Processors/Offsite			
ERS	Consigned			
ERS	Packaging			
ERS	Offgrade, Scrap, Rework			
ERS	Semi-Finished			
ERS	R&D			
ERS	Locations < $100M			
ERS	Ineligible10			
ERS TB	Slow Moving (GL# 148530, 148510)			
ERS TB	Tolling			
Manual	In-transit not shipped to PolyOne			
Manual	Dow branded inventory			
Manual	Producer Services Reserve			
Manual	Addl Resin Cost Capitalization			
Manual	Appraisal Reserve (grossed up)			
Total Ineligible Inventory:				
Eligible Inventory				
	Advance Rate	70.00%	70.00%	70.00%
Availability before Sublimit				
	Sublimits		30,000,000.00	240,000,000.00
Net Inventory Availability				

In-Transit Inventory Availability Summary
Name: **PolyOne Corporation**

Based on the Inventory Perpetual dated:

		Loan ID #:	PCIA6	PCIB7	TBD
			US	**Canada**	**Consolidated**
		Inventory Category:	**Total**	**Total**	**Total (USD)**
		ERS Perpetual Inventory Total:			
		ERS Trial Balance Adjustments:			
		Manual Inventory Total:			
		Total Gross Inventory:			
ERS TB	WIP				
ERS TB	**Stores**				
ERS	Outside Processors/Offsite				
ERS	Consigned				
ERS	Packaging				
ERS	Offgrade, Scrap, Rework				
ERS	Semi-Finished				
ERS	R&D				
ERS	Locations < $100M				
ERS	Ineligible10				
ERS TB	Slow Moving (GL# 148530, 148510)				
Manual	In-transit not shipped to PolyOne				
Manual	Addl Resin Cost Capitalization				
Manual	Appraisal Reserve (grossed up)				
Total Ineligible Inventory:					
Eligible Inventory					
	Advance Rate		70.00%	70.00%	70.00%
Availability before Sublimit					
	Sublimits				15,000,000.00
Net Inventory Availability					

Reserve needed: —

EXHIBIT B-2

FORM OF BANK PRODUCTS PROVIDER LETTER AGREEMENT

[Letterhead of Specified Bank Products Provider]

[Date]

Wells Fargo Capital Finance, LLC, as Administrative Agent
One Boston Place,
18th Floor
Boston, Massachusetts 02108
Attention: Portfolio Manager
Fax No.: (617) 523-4021

Reference is hereby made to that certain Amended and Restated Credit Agreement, dated as of March 1, 2013 (as amended, restated, supplemented, or modified from time to time, the "Credit Agreement"), by and among the lenders party thereto (such lenders, together with their respective successors and assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), Wells Fargo Capital Finance, LLC, as administrative agent for the Lenders (together with its successors and assigns in such capacity, "Agent"), PolyOne Corporation ("Parent"), GLS International, Inc. ("GLS"), PolyOne Canada Inc. ("PolyOne Canada") and NEU Specialty Engineered Materials, LLC ("NEU" and, together with Parent, GLS, PolyOne Canada and any Person that may from time to time become a borrower, each a "Borrower" and, collectively, "Borrowers") and certain subsidiaries of Parent. Capitalized terms used herein but not specifically defined herein shall have the meanings ascribed to them in the Credit Agreement.

Reference is also made to that certain **[describe the Bank Product Agreement or Agreements]** (the "Specified Bank Product Agreement **[Agreements]**") dated as of [ ] by and between **[Lender or Affiliate of Lender]** (the "Specified Bank Products Provider") and **[identify the Loan Party or Subsidiary]**.

1. Appointment of Agent. The Specified Bank Products Provider hereby designates and appoints Agent, and Agent by its signature below hereby accepts such appointment, as its agent under the Credit Agreement and the other Loan Documents. The Specified Bank Products Provider hereby acknowledges that it has reviewed Sections 15.1, 15.2, 15.3, 15.4, 15.6, 15.7, 15.8, 15.9, 15.11, 15.12, 15.13, 15.14, 15.15, 15.19, and 17.5 (collectively such sections are referred to herein as the "Agency Provisions"), including, as applicable, the defined terms referenced therein (but only to the extent used therein), and agrees to be bound by the provisions thereof. Specified Bank Products Provider and Agent each agree that the Agency Provisions which govern the relationship, and certain representations, acknowledgements, appointments, rights, restrictions, and agreements, between the Agent, on the one hand, and the Lenders or the Lender Group, on the other hand, shall, from and after the date of this letter agreement also apply to and govern, *mutatis mutandis*, the relationship between the Agent, on the one hand, and the Specified Bank Product Provider with respect to the Bank Products provided pursuant to the Specified Bank Product Agreement[s], on the other hand.

2. Acknowledgement of Certain Provisions of Credit Agreement. The Specified Bank Products Provider hereby acknowledges that it has reviewed the provisions of Sections 2.3(b), 14.1, 15.10, 15.11, and 17.5 of the Credit Agreement, including, as applicable, the defined terms referenced therein, and agrees to be bound by the provisions thereof. Without limiting the generality of any of the foregoing referenced provisions, Specified Bank Product Provider understands and agrees that its rights and benefits under the Loan Documents, strictly in its capacity as a Specified Bank Products Provider and without limiting such party's rights otherwise, if any, as a Lender and/or Issuing Lender under the Loan Documents, consist solely of it being a beneficiary of the Liens and security interests granted to Agent and the right to share in Collateral as set forth in the Credit Agreement.

3. Reporting Requirements. Agent shall have no obligation to calculate the amount due and payable with respect to any Bank Products. On a monthly basis (not later than the tenth (10^{th}) Business Day of each calendar month) or as more frequently as Agent shall request, the Specified Bank Products Provider agrees to provide Agent with a written report, in form and substance satisfactory to Agent, detailing Specified Bank Products Provider's reasonable determination of the credit exposure (and mark-to-market exposure) of each Borrower and its Subsidiaries in respect of the Bank Products provided by Specified Bank Products Provider pursuant to the Specified Bank Products Agreement[s]. If Agent does not receive such written report within the time period provided above, Agent shall be entitled to assume that the reasonable determination of the credit exposure of Borrowers and its Subsidiaries with respect to the Bank Products provided pursuant to the Specified Bank Products Agreement[s] is either (a) the amount of credit exposure most recently reported to the Agent in accordance with the terms and provisions hereof (so long as such report has been provided to the Agent within the immediately preceding sixty (60) day period) or, (b) if no such report has been provided to the Agent within the immediately preceding sixty (60) day period, zero.

4. Bank Product Reserve Conditions. Specified Bank Products Provider further acknowledges and agrees that Agent shall have the right, but shall have no obligation to establish, maintain, relax or release reserves in respect of any of the Bank Product Obligations and that if reserves are established there is no obligation on the part of the Agent to determine or insure whether the amount of any such reserve is appropriate or not. If Agent so chooses to implement a reserve, Specified Bank Products Provider acknowledges and agrees that Agent shall be entitled to rely on the information in the reports described above to establish the Bank Product Reserve Amount.

5. Bank Product Obligations. From and after the delivery to Agent of this letter agreement duly executed by Specified Bank Product Provider and the acknowledgement of this letter agreement by Agent and Administrative Borrower (on behalf of the Borrowers), the obligations and liabilities of Parent and its Subsidiaries to Specified Bank Product Provider in respect of Bank Products evidenced by the Specified Bank Product Agreement[s] shall constitute Bank Product Obligations (and which, in turn, shall constitute Obligations), and Specified Bank Product Provider shall constitute a Bank Product Provider until such time as Specified Bank Products Provider or its affiliate is no longer a Lender. Specified Bank Products Provider acknowledges that other Bank Products (which may or may not be Specified Bank Products) may exist at any time. Notwithstanding anything to the contrary contained herein, in the Credit Agreement or otherwise, Specified Bank Products Provider acknowledges and agrees that to the

extent that it may at any time hold, or have been granted a pledge of, or security interest or other Lien in, any cash, Cash Equivalents, securities or other investment property or other assets to secure any of the Bank Product Obligations at any time owing to it, Specified Bank Product Provider shall not be entitled, solely as it relates to the Bank Product Obligations owing to it and no other Obligations, to the benefit of the Liens and security interests granted to Agent or to any share in the Collateral as set forth in the Credit Agreement or otherwise, in each case up to the amount of the value of the assets subject to the pledge, security interest or other Lien of Specified Bank Product Provider securing the Bank Product Obligations owing to Specified Bank Products Provider, and any of its rights as a Lender to any proceeds of the Collateral in respect of such Bank Product Obligations shall be reduced by the amount of such collateral.

6. Notices. All notices and other communications provided for hereunder shall be given in the form and manner provided in Section 11 of the Credit Agreement, and, if to Agent, shall be mailed, sent, or delivered to Agent in accordance with Section 11 in the Credit Agreement, if to any Loan Party, shall be mailed, sent, or delivered to Administrative Borrower in accordance with Section 11 in the Credit Agreement, and, if to Specified Bank Products Provider, shall be mailed, sent or delivered to the address set forth below, or, in each case as to any party, at such other address as shall be designated by such party in a written notice to the other party.

If to Specified Bank Products Provider: [_____

_____

_____

Attn:_____
Fax No._____**]**

7. Miscellaneous. This letter agreement is for the benefit of the Agent, the Specified Bank Products Provider, the Loan Parties and each of their respective successors and assigns (including any successor agent pursuant to Section 15.9 of the Credit Agreement, but excluding any successor or assignee of a Specified Bank Products Provider that does not qualify as a Bank Product Provider). Unless the context of this letter agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms “includes” and “including” are not limiting, and the term “or” has, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” This letter agreement may be executed in any number of counterparts and by different parties on separate counterparts. Each of such counterparts shall be deemed to be an original, and all of such counterparts, taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of this letter by telefacsimile or other means of electronic transmission shall be equally effective as delivery of a manually executed counterpart.

8. Governing Law.

(a) THE VALIDITY OF THIS LETTER AGREEMENT, THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF, AND THE RIGHTS OF THE PARTIES HERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS LETTER AGREEMENT SHALL BE TRIED AND LITIGATED ONLY IN THE STATE COURTS, AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS, LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK. EACH BORROWER, SPECIFIED BANK PRODUCTS PROVIDER, AND AGENT WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 8(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH BORROWER, SPECIFIED BANK PRODUCTS PROVIDER, AND AGENT EACH HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS LETTER AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH BORROWER, SPECIFIED BANK PRODUCTS PROVIDER, AND AGENT EACH REPRESENTS TO THE OTHERS THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS LETTER AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

[signature pages to follow]

Sincerely,

[SPECIFIED BANK PRODUCTS PROVIDER]

By _____
Name _____
Title _____

Acknowledged, accepted, and agreed
as of the date first written above:

POLYONE CORPORATION, as Administrative
Borrower

By _____
Name _____
Title _____

Acknowledged, accepted, and agreed
as of _____, 20____:

WELLS FARGO CAPITAL FINANCE, LLC,
as Administrative Agent

By _____
Name _____
Title _____

EXHIBIT B-3

FORM OF CANADIAN BORROWING BASE CERTIFICATE

See Exhibit B-1.

EXHIBIT C-1

FORM OF COMPLIANCE CERTIFICATE

[on Administrative Borrower's letterhead]

To: Wells Fargo Capital Finance, LLC,
as Administrative Agent
One Boston Place, 18th Floor
Boston, Massachusetts 02108
Attention: Portfolio Manager

Re: Compliance Certificate dated [ ]

Ladies and Gentlemen:

Reference is hereby made to that certain Amended and Restated Credit Agreement, dated as of March 1, 2013 (as amended, restated, supplemented, or modified from time to time, the "Credit Agreement"), by and among the lenders party thereto (such lenders, together with their respective successors and assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), Wells Fargo Capital Finance, LLC, as administrative agent for the Lenders (together with its successors and assigns in such capacity, "Agent"), PolyOne Corporation ("Parent"), GLS International, Inc. ("GLS"), PolyOne Canada Inc. ("PolyOne Canada") and NEU Specialty Engineered Materials, LLC ("NEU" and, together with Parent, GLS, PolyOne Canada and any Person that may form time to time become a borrower, each a "Borrower" and, collectively, "Borrowers") and certain subsidiaries of Parent. Capitalized terms used in this Compliance Certificate have the meanings set forth in the Credit Agreement unless specifically defined herein.

Pursuant to Schedule 5.1 of the Credit Agreement, the undersigned officer of Administrative Borrower hereby certifies that:

1. The financial information of Parent and its Subsidiaries furnished in Schedule 1 attached hereto, has been prepared in accordance with GAAP (except for year-end adjustments and the lack of footnotes), and fairly presents in all material respects the financial condition of Parent and its Subsidiaries.

2. Such officer has reviewed the terms of the Credit Agreement and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and condition of Parent and its Subsidiaries during the accounting period covered by the financial statements delivered pursuant to Schedule 5.1 of the Credit Agreement.

3. Such review has not disclosed the existence on and as of the date hereof, and the undersigned does not have knowledge of the existence as of the date hereof, of any event or condition that constitutes a Default or Event of Default, except for such conditions or events listed on Schedule 2 attached hereto, specifying the nature and period of existence thereof and what action Parent and its Subsidiaries have taken, are taking, or propose to take with respect thereto.

4. The representations and warranties of Parent and its Subsidiaries set forth in the Credit Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof (except to the extent they relate to a specified date), except as set forth on Schedule 3 attached hereto.

5. Parent and its Subsidiaries are in compliance with each covenant contained in Section 7 of the Credit Agreement as demonstrated on Schedule 4 hereof.

6. The amount by which the Existing Note Secured Debt Limit exceeds the aggregate principal amount of the Loans plus the Letter of Credit Usage outstanding and the calculations that are the basis for the determination of such amount, are set forth on Schedule 5 hereof.

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned this day of _____, _____.

POLYONE CORPORATION, as Administrative Borrower

By _____

Name _____

Title _____

SCHEDULE 1

Financial Information

SCHEDULE 2

Default or Event of Default

SCHEDULE 3

Representations and Warranties

SCHEDULE 4

Financial Covenants

SCHEDULE 5

Existing Note Secured Debt Limit

EXHIBIT L-1

FORM OF LIBOR NOTICE

Wells Fargo Capital Finance, LLC, as Administrative Agent
One Boston Place, 18th Floor
Boston, Massachusetts 02108

Ladies and Gentlemen:

Reference hereby is made to that certain Amended and Restated Credit Agreement, dated as of March 1, 2013 (the "Credit Agreement"), among PolyOne Corporation ("Parent"), GLS International, Inc. ("GLS"), PolyOne Canada Inc. ("PolyOne Canada") and NEU Specialty Engineered Materials, LLC ("NEU" and, together with Parent, GLS, PolyOne Canada and any Person that may from time to time become a borrower, each a "Borrower" and, collectively, "Borrowers"), certain subsidiaries of Parent, the lenders signatory thereto (the "Lenders"), and Wells Fargo Capital Finance, LLC, as the administrative agent for the Lenders ("Agent"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

This LIBOR Notice represents Borrowers' request to elect the LIBOR Option with respect to outstanding [**US Revolving Loans**] [**Canadian Revolving Loans**] in the amount of [**$**] (the "LIBOR Rate Advance"), and is a written confirmation of the telephonic notice of such election given to Agent.

The LIBOR Rate Advance will have an Interest Period of [**1, 2, [or] 3**] month(s) commencing on [ ].

This LIBOR Notice further confirms Administrative Borrower's acceptance, for purposes of determining the rate of interest based on the LIBOR Rate under the Credit Agreement, of the LIBOR Rate as determined pursuant to the Credit Agreement.

Administrative Borrower (on behalf of the Borrowers) represents and warrants that (i) as of the date hereof, each representation or warranty contained in or pursuant to any Loan Document or any agreement, instrument, certificate, document or other writing furnished at any time under or in connection with any Loan Document, and as of the effective date of any advance, continuation or conversion requested above, is true and correct in all material respects (except to the extent any representation or warranty expressly related to an earlier date), (ii) each of the covenants and agreements contained in any Loan Document have been performed (to the extent required to be performed on or before the date hereof or each such effective date), and (iii) no Default or Event of Default has occurred and is continuing on the date hereof, nor will any thereof occur after giving effect to the request above.

Dated: _____

POLYONE CORPORATION, as
Administrative Borrower

By: _____
Name: _____
Title: _____

Acknowledged by:

WELLS FARGO CAPITAL FINANCE,
LLC, as Administrative Agent

By: _____
Name: _____
Title: _____

EXHIBIT L-2

FORM OF BA RATE NOTICE

Wells Fargo Capital Finance, LLC, as Administrative Agent
One Boston Place, 18th Floor
Boston, Massachusetts 02108

Ladies and Gentlemen:

Reference hereby is made to that certain Amended and Restated Credit Agreement, dated as of March 1, 2013 (the "Credit Agreement"), among PolyOne Corporation ("Parent"), GLS International, Inc. ("GLS"), PolyOne Canada Inc. ("PolyOne Canada" or "Canadian Borrower") and NEU Specialty Engineered Materials, LLC ("NEU" and, together with Parent, GLS, PolyOne Canada and any Person that may from time to time become a borrower, each a "Borrower" and, collectively, "Borrowers"), certain subsidiaries of Parent, the lenders signatory thereto (the "Lenders"), and Wells Fargo Capital Finance, LLC, as the administrative agent for the Lenders ("Agent"). Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

This BA Rate Notice represents the undersigned Canadian Borrower's request to elect the BA Rate Option with respect to outstanding Canadian Revolving Loans denominated in Canadian Dollars in the amount of [**C$**] (the "BA Rate Loan")**[, and is a written confirmation of the telephonic notice of such election given to Agent]**.

The BA Rate Loan will have an Interest Period of **[1, 2 or 3]** month(s) commencing on [ ].

Canadian Borrower represents and warrants that (i) as of the date hereof, each representation or warranty contained in or pursuant to any Loan Document and as of the effective date of any advance, continuation or conversion requested above, is true and correct in all material respects (except to the extent any representation or warranty expressly related to an earlier date and except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof), and (ii) no Default or Event of Default has occurred and is continuing on the date hereof, nor will any thereof occur after giving effect to the request above.

Dated: _____

POLYONE CANADA INC.,
as Canadian Borrower

By _____
Name _____
Title _____

Acknowledged by:

WELLS FARGO CAPITAL FINANCE, LLC,
as Administrative Agent

By _____
Name _____
Title _____

SCHEDULE A-1
AGENT'S ACCOUNT

Bank:

Wells Fargo Bank, National Association
420 Montgomery Street
San Francisco, CA
ABA # 121-000-248

Account Name:

Wells Fargo Capital Finance, LLC
A/C # 37072820231201143
Ref: PolyOne Corp

SCHEDULE A-2
AGENT'S CANADIAN ACCOUNT

CAD Wire Instructions:

Bank:	TD Canada Trust
Bank Address:	55 King Street West, Toronto, Ontario, Canada M5K 1A2
Transit Number	10202
Bank Number:	004
Canadian Clearing Code:	000410202
SWIFT Number..	TDOMCATTTOR
Beneficiary:	Wells Fargo Capital Finance Corporation Canada
Beneficiary Account Number:	5388221
	40 King Street West Suite 2500, Toronto, ON M5H 3Y2
Beneficiary Address:	Canada
Ordering Customer:	PolyOne Canada Inc.

USD Wire Instructions:

Bank:	TD Canada Trust
Bank Address:	55 King Street West, Toronto, Ontario, Canada M5K 1A2
Transit Number	10202
Bank Number:	004
Canadian Clearing Code:	000410202
SWIFT Number:	TDOMCATTTOR
Beneficiary:	Wells Fargo Capital Finance Corporation Canada
Beneficiary Account Number:	7387637
	40 King Street West Suite 2500, Toronto, ON M5H 3Y2
Beneficiary Address:	Canada
Ordering Customer:	PolyOne Canada Inc.

Intermediary Bank for USD Payment (Only for paying from Non-Canadian Bank):

U.S. Correspondent Bank:	Bank of America, N.A.
ABA Number:	026009593
Bank Address:	New York, NY

SCHEDULE A-3
AUTHORIZED PERSONS

Woodrow Ban
Daniel O'Bryon
John Hornickel
Lisa Kunkle
Jason Peterson
Richard Diemer, Jr.
Vincent Shemo

SCHEDULE C-1
COMMITMENTS

Lender	US Commitment[1]	Canadian Commitment
Wells Fargo Capital Finance, LLC	$130,000,000	$ 0
Wells Fargo Capital Finance Corporation Canada	$ 0	$16,250,000
Bank of America, N.A.	$100,000,000	$ 0
Bank of America, N.A., Canada Branch	$ 0	$12,500,000
US Bank National Association	$ 40,000,000	$ 0
US Bank National Association, Canada Branch	$ 0	$ 5,000,000
PNC Bank, National Association	$ 27,000,000	$ 0
PNC Bank Canada Branch	$ 0	$ 3,375,000
Citibank, N.A.	$ 22,000,000	$ 2,750,000
HSBC Bank USA, N.A.	$ 22,000,000	$ 2,750,000
RBS Citizens Business Capital, a division of RBS Citizens, N.A.	$ 22,000,000	$ 2,750,000
KeyBank National Association	$ 20,000,000	$ 2,500,000
The Huntington National Bank	$ 17,000,000	$ 2,125,000
Total	$400,000,000[2]	$50,000,000

1 The US Commitment of any Lender shall be reduced by such Lender's (or its Affiliates') Pro Rata Share of the Canadian Revolver Usage.

2 The aggregate US Dollar Equivalent of the sum of the Canadian Revolver Usage and the US Revolver Usage shall not exceed $400,000,000 at any time (except as such amount may be increased pursuant to Section 2.12).

SCHEDULE C-2
REMEDIATION PROPERTIES

611 Kororoit Creek Road, Altona, Victoria, Australia
21300 Doral Road, Town of Brookfield, Wisconsin
Highway 169, Nashwauk, MN
2468 Industrial Parkway, Calvert City, Kentucky
2475 Industrial Boulevard, Calvert City, Kentucky
216 Paterson Plank Road, Carlstadt, New Jersey
7377 Highway 3214, Convent, Louisiana
N1/2, Section 1, T42N, R35W, Stambaugh Township, Iron County, Michigan
52 Richboynton Road, Dover, New Jersey
150 South Connell Avenue, Dyersburg, Tennessee
60 Mayfield Drive, Edison, New Jersey
10 Ruckle Avenue, Farmingdale, New Jersey
325 Lucy Road, Howell, Michigan
77 Saint David Street, Kawartha Lakes, Ontario
521 King Street West, Kitchener, Ontario
2400 Miller Cut-Off Road, La Porte, Texas
Fern Valley Road, Louisville, Kentucky
4200 Bells Lane, Louisville, Kentucky
300 Needham Street, Newton, Massachusetts
8281 National Highway, Pennsauken, New Jersey
26 Washington Street, Perth Amboy, New Jersey
7 Kelley Road, Plaistow, New Hampshire
68th Street & Pulaski Highway, Rosedale, Maryland
789 Old New Brunswick Road, Somerset, New Jersey
9316 South Atlantic Avenue, South Gate, California
8800 Thorold Townline Rd, Thorold, Ontario
111 Day Drive, Three Rivers, Michigan
1947-1997 Bloor Street West, Toronto, Ontario
170 North Main Street, Wharton, New Jersey
1318 East 12th Street, Wilmington, Delaware
944 Valley Avenue, Winchester, Virginia
Bergen County, New Jersey[3]

[3] This is a long creek and this is the address that the company has on its record.

SCHEDULE D-1
DESIGNATED ACCOUNT

Entity	Name and Address of Bank	Account Number
PolyOne Corporation	Mellon Bank 500 Ross St. Pittsburgh, PA 15262	000-8969
PolyOne Canada Inc. (for Canadian revolving loans)	Bank of Montreal 100 King St., West Toronto, ON M5X 1H3	476-2652

SCHEDULE E-1
EXISTING LETTERS OF CREDIT

Issuing Bank	Issue Date	Beneficiary	Amount	Effective Date	Expiration	LOC Number
PNC	11/16/09	BOA London supports BOA Customs Bond	$ 341,250	11/16/2009	06/26/13	12501590
PNC	10/11/11	EPA SUPERFUND REISSUED	$ 48,083	10/11/2011	06/26/13	18115916
PNC	09/23/05	Liberty Mutual Insurance Company	$ 3,285,000	10/26/2007	06/26/13	*18117372(12501602)*
PNC	07/28/05	NJ Dept. of Environment-LE Carpenter	$ 1,000,000	10/11/2011	06/26/13	18115917
PNC	01/30/06	Nat Union Fire Ins., Pittsburgh	$ 35,000	4/8/2010	04/08/13	12501595
PNC	01/30/06	Nat Union Fire Ins., Pittsburgh	$ 900,000	4/8/2008	04/08/13	12501604
PNC	08/12/06	Ohio Bureau of Workers' Comp.	$ 1,300,000	9/1/2005	06/26/13	12501591
PNC	01/30/06	Reliance National Indemnity Co.	$ 1,571,177	5/13/2006	05/13/13	12501596
PNC	8/12/2011	Shawnee Chemical Company	$ 250,000	8/12/2011	06/26/13	18115525
PNC	09/23/05	Travelers Indemnity	$ 25,000	12/13/2003	06/26/13	12501593
PNC	03/12/09	US Hazardous Superfund	$ 412,525	3/12/2009	06/26/13	12501598
BMO	02/06/06	Workplace Safety & Ins—Canadian $	$ 330,420	4/21/2009	03/03/13	12501589
PNC	02/06/06	Workplace Safety & Ins—Canadian $	$ 330,420	1/31/2008	05/01/13	12501599
Wells Fargo Bank, National Association	3/10/2005	Regions Bank	$ 4,866,771	3/10/2005		NZS538164

SCHEDULE I-1
IMMATERIAL SUBSIDIARIES

Auseon Limited
Burton Rubber Company
Geon Development, Inc.
Hanna Proprietary Limited
Hanna-Itasca Company
Hollinger Development Company
L.E. Carpenter & Company
LP Holdings Inc.
M. A. Hanna Plastic Group, Inc.
MAG International
O'Sullivan Plastics LLC
PolyOne Funding Canada Corporation
PolyOne Funding Corporation
PolyOne Engineered Films, LLC
PolyOne Wilflex Australasia Pty. Ltd.
RA Products, Inc.
Regalite Plastics, LLC
Shawnee Holdings, LLC
The Geon Company Australia Limited
Canadian Films Venture Inc.
2012 RedHawk, Inc.
PolyOne Designed Structures and Solutions LLC

SCHEDULE P-1
PERMITTED DISPOSITIONS

Property Owner	Address
PolyOne Corporation	3401 Joint Venture Lane, Louisville, KY
The Hanna Mining Company (now known as PolyOne Corporation)	Itasca, MN.
	Parcel ID Number: 25-020-4401; 25-520-0120.
PolyOne Corporation	1804-1808 River Road, Burlington, NJ
PolyOne Corporation	DeForest, WI
	Parcel ID Number: 118/0910-084-8020-1
PolyOne Corporation	21300 Doral Road, Brookfield, WI
PolyOne Canada Inc.	Niagara Falls, Ontario, Canada
	Parcel ID Number: Parts 25, 26, 27 and 33, Plan 59R—10639—PIN 64262-0005; Part 32, Plan 59R-10639 (was Part 1, Plan 59R-6285)-PIN 640058-0026; Part 23, Plan 59R-10639 (was Part 4, Plan 59R-6285)-PIN 640058-0148
PolyOne Corporation	2700 Papin Street, St. Louis, MO 63103
L.E. Carpenter & Company	170 No. Main Street Wharton, NJ 07885
L.E. Carpenter & Company	Lot 1 Block 301, Wharton, NJ 07885
L.E. Carpenter & Company	Lot 3 Block 803, Wharton, NJ 07885

SCHEDULE P-2
PERMITTED INDEBTEDNESS

1. Indebtedness associated with Liens set forth on Schedule P-4.
2. Guarantee, dated as of April 17, 2008, in the amount of approximately Euro 54, 215.
    a. Guarantor: Royal Bank of Scotland
    b. Beneficiary: Uni-Invest, B.V.
    c. Applicant: ColorMatrix Europe Ltd.
    d. Nature of Underlying Obligations: securing rent payment obligations under the lease agreement between ColorMatrix Europe Ltd. and Uni-Invest, B.V.
3. Letter of Credit, dated as of April 4, 2007, in the amount of approximately $111,191.04.
    a. Issuing Bank: General Electric Capital Corporation.
    b. Beneficiary: 680 North L.L.C.
    c. Applicant: The ColorMatrix Corporation.
    d. Nature of Underlying Obligations: securing rent payment obligations under the lease agreement between The ColorMatrix Corporation and 680 North L.L.C.
4. ColorMatrix do Brasil Indústria e Comércio de Pigmentos e Aditivos Ltda. has obtained a Bank Credit, dated August 11, 2011, issued by Itaú Unibanco S.A. for a revolving credit facility of up to 900,000 Brazilian reales.
5. Letter of Credit, dated as of March 6, 2006, in the face amount of CAD 293,688.75.
    a. Issuing Bank: Bank of Montreal.
    b. Beneficiary: Workplace Safety & Insurance Board
    c. Applicant: PolyOne Canada Inc.
    d. Nature of Underlying Obligations: securing obligations relating to Canadian workers compensation.
6. Indebtedness related to $7,010,000 The Industrial Development Revenue Bonds with The Industrial Development Board of the City of Birmingham, Industrial Development Revenue Bonds (Glasforms, Inc. Project), Series 1999, Issued on April 23, 1999.
7. Indebtedness pursuant to the Supplier Agreement, dated May 24, 2005, between Glasforms, Inc. and Citibank, N.A.[4]

[4] To be terminated within 60 days of Effective Date.

SCHEDULE P-3
PERMITTED INVESTMENTS

Borrower or any Restricted Subsidiary holds an Equity Interest in the following entities:

Holder	Entity Name	Percentage of Ownership
PolyOne Corporation	Hansand Steamship Company	33%
PolyOne Corporation	Early Stage	2%
PolyOne Corporation	Kimberly Iron Company, Ltd.	14%
PolyOne Corporation	North Coast	1%
PolyOne Corporation	Paramount Coal Company	50%
PolyOne Corporation	Pilot Knob Pellet Co.	50%
PolyOne Corporation	Syngold	4.26%
PolyOne Corporation	Orangeville-Brampton Rail Access Group Inc.	12.5%
PolyOne Corporation	Altona Properties Pty. Ltd.	37%
PolyOne Corporation	Butler Brothers	49%
PolyOne Corporation	Ohio Innovation	2%
GEON Development, Inc.		4%
GEON Development, Inc.	Cleveland Development	2%
ColorMatrix Group, Inc.	ColorMatrix Europe Ltd.	16.19%

SCHEDULE P-4
PERMITTED LIENS

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00039906742	10/15/01	UCC-1	Cisco Systems Capital Corporation	Leased Equipment
PolyOne Corporation	OH	OH00051752337	07/10/02	UCC-1	Bayer Corporation	Consignment: PMSI in the Goods and Inventory of Consignee delivered under or pursuant to the Agreement
PolyOne Corporation	OH	OH00053737509	08/30/02	UCC-1	NMHG Financial Services Inc.	All of the equipment now or hereafter leased by Lessor to Lessee
PolyOne Corporation	OH	OH00060687309	03/05/03	UCC-1	Sayers Finance Corporation	All equipment leased under Master Lease Agreement between Lessee and Lessor
PolyOne Corporation	OH	OH00067980772	09/02/03	UCC-1	National Paper & Packaging Co.	All inventory, and other goods sold, consigned or delivered to or for benefit to Consignee by Consignor

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00074219697	02/24/04	UCC-1	Popular Leasing U.S.A., Inc.	Leased specific equipment
PolyOne Corporation	OH	OH00087090820	03/08/05	UCC-1	Mitsui Plastics, Inc.	Consignment of Plastic Resin
PolyOne Corporation	OH	OH00100338389	04/01/06	UCC-1	General Electric Capital Corporation	All equipment leased or financed for the Debtor by Secured Party under GE Lease Agreement
PolyOne Corporation	OH	OH00108698460	11/09/06	UCC-1	General Electric Capital Corporation	All equipment leased or financed for the Debtor by Secured Party under GE Lease Agreement
PolyOne Corporation	OH	OH00110707627	01/09/07	UCC-1	Zeon Chemicals L.P.	Consignment of certain parts and or raw materials under the Consignment Agreement
PolyOne Corporation	OH	OH00111253695	01/24/07	UCC-1	General Electric Capital Corporation	All equipment leased or financed for the Debtor by Secured Party under GE Lease Agreement

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00112693466	03/09/07	UCC-1	Wells Fargo Equipment Finance, Inc.	Leased specific equipment
PolyOne Corporation	OH	OH00115735136	05/31/07	UCC-1	General Electric Capital Corporation	All equipment leased or financed for the Debtor by Secured Party under GE Lease Agreement
PolyOne Corporation	OH	OH00117302828	07/17/07	UCC-1	U.S. Bancorp Oliver-Allen Technology Leasing	All equipment and other personal property covered by Equipment Schedule to Master Lease
PolyOne Corporation	OH	OH00117982424	08/07/07	UCC-1	National City Commercial Capital Company, LLC	All equipment and other goods, software and other general intangibles leased to Debtor by Secured Party pursuant to Master Lease Agreement
PolyOne Corporation	OH	OH00121894948	12/11/07	UCC-1	National City Commercial Capital Company, LLC	All equipment and other goods, software and other general

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
						intangibles leased to Debtor by Secured Party pursuant to Master Lease Agreement
PolyOne Corporation	OH	OH00124415412	03/03/08	UCC-1	U.S. Bancorp Oliver-Allen Technology Leasing	All equipment and other personal property covered by Equipment Schedule to Master Lease
PolyOne Corporation	OH	OH00124952036 Debtor: PolyOne Corporation DBA-PolyOne Distribution Co	03/19/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00124954616 Debtor: PolyOne Corporation DBA-PolyOne Distribution Co	03/19/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00124954727 Debtor: PolyOne Corporation DBA-PolyOne Distribution Co	03/19/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00125115942 Debtor: PolyOne Corporation DBA-PolyOne Distribution	03/25/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00125252073 Additional Debtor: CT Corporation, Agent	03/28/08	UCC-1	American Axle & Manufacturing, Inc.	Raw materials, work in process, finished goods, tools and inventory, machinery and equipment owned by Secured Party and in the possession of Debtor from time to time
PolyOne Corporation	OH	OH00125320927	04/01/08	UCC-1	Somerset Leasing Corp. II	All equipment leased under Schedule to Lease Agreement
PolyOne Corporation	OH	OH00125831112 Debtor: PolyOne Corporation DBA-PolyOne Distribution	04/18/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00127151071	06/02/08	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00127154996	06/03/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00127169624	06/03/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00128496446	07/28/08	UCC-1	Somerset Leasing Corp. I	All equipment leased under Schedule to Lease Agreement
PolyOne Corporation	OH	OH00129168290	08/27/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00129207345	08/28/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00129370138	09/05/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00129537960	09/12/08	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00129848131	09/26/08	UCC-1	Somerset Leasing Corp. XIV	All equipment under Schedule No 3 to Lease Agreement
PolyOne Corporation	OH	OH00130292307	10/17/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00130294987	10/17/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00131007688	11/18/08	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00131529563	12/10/08	UCC-1	Kaneka Texas Corporation	Consignment: All Impact Modifiers and Processing

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
						Aids acquired by Consignor and placed on the premises of Consignee
PolyOne Corporation	OH	OH00133359261	03/16/09	UCC-1	M & R Sales & Service	Specific equipment
PolyOne Corporation	OH	OH00133854261	04/09/09	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00133945830	04/13/09	UCC-1	Air Liquide Industrial US LP	Specific equipment
PolyOne Corporation	OH	OH00135861935	07/08/09	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00135862058	07/08/09	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00136154008	07/22/09	UCC-1	MRK Leasing, Ltd.	Leased specific equipment
PolyOne Corporation	OH	OH00136268069	07/28/09	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00136947887	09/02/09	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
						by Lessor under Master Lease
PolyOne Corporation	OH	OH00136947998	09/02/09	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00137062983	09/08/09	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00137200816	09/15/09	UCC-1	Georgia-Pacific Corrugated LLC	Consigned inventory including laminated bulk boxes and caps
PolyOne Corporation	OH	OH00137362919	09/23/09	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00138016765	10/26/09	UCC-1	MRK Leasing, Ltd.	Leased specific equipment
PolyOne Corporation	OH	OH00139644414	01/13/10	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00139644525	01/13/10	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00140059547	02/02/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00140262053	02/15/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00140262164	02/15/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00140765473	03/12/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00140868522	03/18/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00143650211	07/15/10	UCC-1	U.S. Bancorp Equipment Finance, Inc.	Specific equipment
PolyOne Corporation	OH	OH00144197513	08/06/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00144293810	08/12/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00144553135	08/25/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00144554036	08/25/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00144572923	08/26/10	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00144573046	08/26/10	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00145278293	09/30/10	UCC-1	Summit Funding Group, Inc.	All present and future Goods leased by Lessor to Lessee pursuant to Master Lease Agreement
PolyOne Corporation	OH	OH00145429052	10/07/10	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00145429385	10/07/10	UCC-1	De Lage Landen Financial Services, Inc.	All Equipment financed by or leased to Lessee by Lessor under Master Lease Agreement No 498
PolyOne Corporation	OH	OH00146965342	12/20/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00146968601	12/20/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00146968823	12/20/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00146969491	12/20/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00146969835	12/20/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00146977266	12/20/10	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00148179882	02/14/11	UCC-1	U.S. Bancorp Equipment Finance, Inc.	All equipment, software and other personal property financed by Lessor under Master Lease
PolyOne Corporation	OH	OH00149158203	04/01/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00149158314	04/01/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00149863238	05/02/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00150185556	05/13/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00150279151	05/18/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00150361510	05/20/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00150395925	05/23/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00150415393	05/24/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00150675040	06/03/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00151302355	06/30/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00151627464	07/15/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00152426550	08/24/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00153134077	09/28/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00153725818	10/26/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00154558086	12/01/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00155562268	01/12/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00155970182	02/02/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00156186413	02/14/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00156399818	02/24/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00156597707	03/06/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00156975709	03/22/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00157153809	03/30/12	UCC-1	Wells Fargo Bank, N.A.	Specific equipment
PolyOne Corporation	OH	OH00157258750	04/03/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00157851182	04/25/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00158051995	05/02/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00158727776	05/30/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00160339353	08/03/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Corporation	OH	OH00160922007	08/31/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00161173766	09/12/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00162298973	10/29/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00162453569	11/02/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00162953620	11/28/12	UCC-1	NMHG Financial Services, Inc.	All of the equipment leased by Lessor to Lessee
PolyOne Corporation	OH	OH00163946090	01/07/13	UCC-1	NMHG Financial Services, Inc.	All of the equipment leased by Lessor to Lessee
PolyOne Corporation	OH	OH00164469443	01/29/13	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	OH	OH00164469887	01/29/13	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	Illinois	016600504	09/14/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	Illinois	016649600	09/30/11	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne Corporation	Illinois	016918148	01/05/12	UCC-1	Toyota Motor Credit Corporation	Specific equipment
PolyOne LLC	Delaware	32303926	09/05/03	UCC-1	De Lage Landen Financial Services, Inc.	Leased specific equipment
PolyOne Canada Inc.	Ontario, Canada	888453369	10/22/02	PPSA 16 Years	The Corporation of the Town of Orangeville	Equipment Leased by Secured Party to

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
						Debtor pursuant to Lease Agreement dated 08/26/02
PolyOne Canada Inc.	Ontario, Canada	632093256 Additional Debtor: PolyOne Corporation	01/12/07	PPSA 10 Years	Zeon Chemicals L.P.	Consignment of Inventory/ Equipment
PolyOne Canada Inc.	Ontario, Canada	633066183	02/26/07	PPSA 10 Years	Donlen Fleet Leasing Ltd./Location de Flottes Donlen Ltee.	All motor vehicles leased by Secured Party to the Debtor
PolyOne Canada Inc.	Ontario, Canada	633066192	02/26/07	PPSA 10 Years	Donlen Fleet Leasing Ltd./Location de Flottes Donlen Ltee.	All motor vehicles leased by Secured Party to the Debtor
PolyOne Canada Inc.	Ontario, Canada	662069844	06/10/10	PPSA 6 Years	Praxair Canada Inc.	Equipment supplied by Secured Party consisting of bulk cryogenic storage tanks used for storage, filling and delivery of industrial and medical gases
PolyOne Canada Inc.	Ontario, Canada	671045805	06/28/11	PPSA 5 Years	Toyota Motor Credit Corporation	Specific equipment
PolyOne Canada Inc.	Ontario, Canada	675223866	12/21/11	PPSA 5 Years	Northwestern Mutual Life Insurance Company	All assets
PolyOne Canada Inc.	Ontario, Canada	675223875	12/21/11	PPSA 5 Years	Guardian Life Insurance Company of America	All assets

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Canada Inc.	Ontario, Canada	675223884	12/21/11	PPSA 5 Years	Massachusetts Mutual Life Insurance Company	All assets
PolyOne Canada Inc.	Ontario, Canada	675223893	12/21/11	PPSA 5 Years	The Mutual Insurance Company of New York	All assets
PolyOne Canada Inc.	Ontario, Canada	675223902	12/21/11	PPSA 5 Years	Aid Association for Lutherans	All assets
PolyOne Canada Inc.	Ontario, Canada	675223911	12/21/11	PPSA 5 Years	Allstate Life Insurance Company	All assets
PolyOne Canada Inc.	Ontario, Canada	675223929	12/21/11	PPSA 5 Years	RGA Reinsurance Company	All assets
PolyOne Canada Inc.	Ontario, Canada	675224019	12/21/11	PPSA 5 Years	General American Life Insurance Company	All assets
PolyOne Canada Inc.	Ontario, Canada	675224073	12/21/11	PPSA 5 Years	Security Mutual Life Insurance Company of New York	All assets
PolyOne Canada Inc.	Ontario, Canada	675224082	12/21/11	PPSA 5 Years	Jefferson-Pilot Life Insurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122108786	12/21/11	PPSA 7 Years	Wells Fargo Capital Finance, LLC, as Agent	All assets
PolyOne Canada Inc.	Alberta, Canada	11122201803	12/22/11	PPSA 5 Years	Northwestern Mutual Life Insurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122201852	12/22/11	PPSA 5 Years	Allstate Life Insurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122201999	12/22/11	PPSA 5 Years	General American Life Insurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122202026	12/22/11	PPSA 5 Years	RGA Reinsurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122202085	12/22/11	PPSA 5 Years	Security Mutual Life Insurance Company of New York	All assets

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Canada Inc.	Alberta, Canada	11122202161	12/22/11	PPSA 5 Years	Jefferson-Pilot Life Insurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122202176	12/22/11	PPSA 5 Years	The Mutual Insurance Company of New York	All assets
PolyOne Canada Inc.	Alberta, Canada	11122202241	12/22/11	PPSA 5 Years	Massachusetts Mutual Life Insurance Company	All assets
PolyOne Canada Inc.	Alberta, Canada	11122202259	12/22/11	PPSA 5 Years	Guardian Life Insurance Company of America	All assets
PolyOne Canada Inc.	Alberta, Canada	11122202319	12/22/11	PPSA 5 Years	Aid Association for Lutherans	All assets
PolyOne Canada Inc.	Quebec, Canada	07-0403081-002	07/13/07	PPSA	PolyOne Funding Canada Corporation	Seller’s right, title, and interest to the Seller Receivables pursuant to the Assignment of Receivable Assets, 07/13/07, and to the Canadian Receivables Sale Agreement, 07/13/07 by PolyOne Funding Canada Corporation as seller, PolyOne Canada Inc. as buyer and PolyOne Corporation as servicer.

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Canada Inc.	Quebec, Canada	07-0101357-0035	02/28/07	PPSA 10 Years	Donlen Fleet Leasing Ltd Location de Flottes Donlen LTEE	All motor vehicles leased by secured party to debtor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0015	12/22/11	PPSA 10 Years	Prudential Capital Group	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0014	12/22/11	PPSA 10 Years	The Prudential Insurance Company of America	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0012	12/22/11	PPSA 10 Years	Babson Capital Management LLC	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0010	12/22/11	PPSA 10 Years	Mony Life Insurance Company	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0008	12/22/11	PPSA 10 Years	Aid Association for Lutherans	The universality of all movable property, rights and assets of Grantor

Debtor	Jurisdiction	Filing Number	Filing Date	Type of Filing	Secured Party	Collateral Description
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0007	12/22/11	PPSA 10 Years	Allstate Life Insurance Company	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0005	12/22/11	PPSA 10 Years	Prudential Financial	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0003	12/22/11	PPSA 10 Years	Deutsche Bank	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	11-0981882-0002	12/22/11	PPSA 10 Years	Delaware Investments	The universality of all movable property, rights and assets of Grantor
PolyOne Canada Inc.	Quebec, Canada	10-0388782-0001	06/15/2010	PPSA	Praxair Canada Inc.	All equipment

Permitted Liens with respect to Exclusive License Agreements[5]

- Exclusive License Agreement, dated March 12, 2004, between CM Corporation and Container Science, Inc.
- License Agreement, dated February 13, 2009, between ColorMatrix Holdings, Inc. and Amcor Pet Packaging USA, Inc.
- License Agreement, dated November 6, 2008, between ColorMatrix Holdings, Inc. and Artenius Pet Packaging Europe, Inc.

[5] The Permitted Liens in connection with such outbound exclusive license agreements relate only to restrictions on the ability of PolyOne Corporation or its Subsidiaries which are party to such license agreement, to use or dispose of certain intellectual property as provided in the license agreements.

- Joint Development Agreement, dated February 25, 2010, between ColorMatrix Group, Inc. and Printpack, Inc.
- Joint Development Agreement, dated August 2002, between ColorMatrix Group, Inc. and Container Science, Inc., as amended February 21, 2011.
- Joint Development Agreement, dated June 14 2004, between ColorMatrix Europe Ltd. and Dupont Sabanci Polyester Europe BV, as amended on July 24, 2006.
- Joint Research Development and Supply Agreement, dated September 6, 2009, between ColorMatrix Group, Inc. and DSM Micabs, B.V.
- Joint Development Agreement, dated March 16, 2009, between ColorMatrix Group, Inc. and PPG Industries, Inc.

Foreign

Liens against the accounts receivable solely of ColorMatrix do Brasil Indústria e Comércio de Pigmentos e Aditivos Ltda., which secure only borrowings under the Bank Credit, dated August 11, 2011, issued by Itaú Unibanco S.A. for a revolving credit facility of up to 900,000 Brazilian reales.

Schedule 1.1

As used in the Agreement, the following terms shall have the following definitions:

"Acceptable Field Exam" means a field examination with respect to specified assets or an Acquired Business that is completed in accordance with Agent's customary procedures and practices and as otherwise required by the nature and circumstances of such assets or the business of the Acquired Business, as applicable, the scope and results of which are satisfactory to Agent in its Permitted Discretion.

"Account" means an account (as that term is defined in the Code).

"Account Debtor" means any Person who is obligated on an Account, chattel paper, or a general intangible.

"Acquired Business" means any business and assets subject to an Acquisition hereunder.

"Acquired Business Availability Period" means, with respect to any Acquired Business, the period commencing on the date such Acquired Business was acquired in a Permitted Acquisition or a Permitted Investment and ending on the earlier of (a) the 90th day thereafter or (b) the date that an Acceptable Field Exam is completed with respect to such Acquired Business and, in the case of Inventory of an Acquired Business, an Inventory appraisal with respect to such Acquired Business.

"Acquired Indebtedness" means Indebtedness of a Person whose assets or Equity Interests are acquired by a Restricted Subsidiary in a Permitted Acquisition or the Spartech Acquisition; provided, that, such Indebtedness (a) was in existence prior to the date of such Permitted Acquisition or the Spartech Acquisition, as applicable, and (b) was not incurred in connection with, or in contemplation of, such Permitted Acquisition or the Spartech Acquisition, as applicable.

"Acquisition" means (a) the purchase or other acquisition by a Person or its Subsidiaries of all or substantially all of the assets of (or any division or business line of) any other Person (other than of a Subsidiary), or (b) the purchase or other acquisition (whether by means of a merger, consolidation, amalgamation or otherwise) by a Person or its Subsidiaries of all or substantially all of the Equity Interests of any other Person (other than of a Subsidiary).

"Additional Documents" has the meaning specified therefor in Section 5.11(b) of the Agreement.

"Additional Second Lien Documents" has the meaning specified therefor in Section 5.12 of the Agreement.

"Administrative Borrower" has the meaning specified therefor in Section 17.14 of the Agreement.

"Affected Lender" has the meaning specified therefor in Section 2.11(b) of the Agreement.

"Affiliate" means, as applied to any Person, any other Person who controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Equity Interests, by contract, or otherwise; provided, that, for purposes of the definition of Eligible Accounts and Section 6.11 of the Agreement (a) any Person which owns directly or indirectly ten percent (10%) or more of the Equity Interests having ordinary voting power for the election of directors or other members of the governing body of a Person or ten percent (10%) or more of the partnership or other ownership interests of a Person (other than as a limited partner of such Person) shall be deemed an Affiliate of such Person, and (b) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person.

"Agent" has the meaning specified therefor in the preamble to the Agreement.

"Agent-Related Persons" means Agent, together with its Affiliates, officers, directors, employees, attorneys, and agents.

"Agent's Account" means the Deposit Account of Agent identified on Schedule A-1.

"Agent's Canadian Account" means the Deposit Accounts of Agent identified on Schedule A-2.

"Agent's Liens" means the Liens granted by any Loan Party to Agent under the Loan Documents.

"Agreement" means the Amended and Restated Credit Agreement to which this Schedule 1.1 is attached.

"AML Legislation" has the meaning specified in Section 17.15 of the Agreement.

"Applicable Margin" means, with respect to Base Rate Loans, BA Rate Loans and LIBOR Rate Loans, the applicable percentage (on a per annum basis) set forth below based on the Quarterly Average Excess Availability for the immediately preceding three (3) month period:

Tier	Quarterly Average Excess Availability	Applicable LIBOR Rate Margin	Applicable Base Rate Margin	Applicable BA Rate Margin
1	Equal to or greater than $250,000,000	1.50%	0.50%	0.75%
2	Greater than or equal to $150,000,000 but less than $250,000,000	1.75%	0.75%	1.00%
3	Less than $150,000,000	2.00%	1.00%	1.25%

provided, that, (i) the Applicable Margin shall be calculated and established once every three (3) months and shall remain in effect until adjusted for the next three (3) month period, (ii) each adjustment of the Applicable Margin shall be effective as of the first day of each such three (3) month period based on the Quarterly Average Excess Availability for the immediately preceding three (3) month period and (iii) in the event that Borrowers fail to provide any US Borrowing Base Certificate, Canadian Borrowing Base Certificate or other information with respect thereto for any period on the date required hereunder, effective as of the date on which such US Borrowing Base Certificate, Canadian Borrowing Base Certificate or other information was otherwise required, at Agent's option, the Applicable Margin shall be based on the highest rate above until the next Business Day after a US Borrowing Base Certificate, Canadian Borrowing Base Certificate or other information is provided for the applicable period at which time the Applicable Margin shall be adjusted as otherwise provided herein. In the event that at any time after the end of any three (3) month period the Quarterly Average Excess Availability for such three (3) month period used for the determination of the Applicable Margin was greater than the actual amount of the Quarterly Average Excess Availability for such period as a result of the inaccuracy of information provided by or on behalf of Borrowers to Agent for the calculation of Excess Availability, the Applicable Margin for such period shall be adjusted to the applicable percentage based on such actual Quarterly Average Excess Availability and any additional interest for the applicable period as a result of such recalculation shall be promptly paid to Agent. The foregoing shall not be construed to limit the rights of Agent or Lenders with respect to the amount of interest payable after an Event of Default whether based on such recalculated percentage or otherwise. The Series G Guarantee Reserve Amount shall not be included in the calculation of Quarterly Average Excess Availability for purposes of determining the Applicable Margin.

"Application Event" means the occurrence of (a) a failure by Borrowers to repay all of the Obligations in full on the Maturity Date, or (b) an Event of Default and the election by Agent or the Required Lenders to require that payments and proceeds of Collateral be applied pursuant to Section 2.3(b)(ii) of the Agreement.

"Arrangers" means, collectively, Wells Fargo Capital Finance, LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

"Assignee" has the meaning specified therefor in Section 13.1(a) of the Agreement.

"Assignment and Acceptance" means an Assignment and Acceptance Agreement substantially in the form of Exhibit A-1.

"Authorized Person" means any one of the individuals identified on Schedule A-3, as such schedule is updated from time to time by written notice from Administrative Borrower to Agent.

"Availability" means, as of any date of determination, (a) the lesser of (i) the Borrowing Base or (ii) the Maximum Credit minus (b) the Revolver Usage.

"Bank Product" means any one or more of the following financial products or accommodations extended to Parent or its Subsidiaries by a Bank Product Provider: (a) credit cards, (b) credit card processing services, (c) debit cards, (d) stored value cards, (e) purchase cards (including so-called "procurement cards" or "P-cards"), (f) Cash Management Services, or (g) transactions under Hedge Agreements.

"Bank Product Agreements" means those agreements entered into from time to time by Parent or its Subsidiaries with a Bank Product Provider in connection with the obtaining of any of the Bank Products.

"Bank Product Collateralization" means providing cash collateral (pursuant to documentation reasonably satisfactory to Agent) to be held by Agent for the benefit of the Bank Product Providers (other than the Hedge Providers), except as Agent may otherwise agree, in an amount determined by Agent as reasonably sufficient to satisfy the reasonably estimated credit exposure with respect to the then existing Bank Product Obligations (other than Hedge Obligations).

"Bank Product Obligations" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by Parent or its Subsidiaries to any Bank Product Provider pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (b) all Hedge Obligations, and (c) all amounts that Agent or any Lender is obligated to pay to a Bank Product Provider as a result of Agent or such Lender purchasing participations from, or executing guarantees or indemnities or reimbursement obligations to, a Bank Product Provider with respect to the Bank Products provided by such Bank Product Provider to Parent or its Subsidiaries; provided, that, in order for any item described in clauses (a) (b), or (c) above, as applicable, to constitute "Bank Product Obligations", the applicable Bank Product must have been provided on or after the Existing Closing Date and Agent shall have received a Bank Product Provider Agreement on or before the Effective Date or otherwise within ten (10) days (or such later date as may be agreed to by Agent) after the date of the provision of the applicable Bank Product to Parent or its Subsidiaries.

"Bank Product Provider" means any Lender or any of its Affiliates; provided, that, no such Person shall constitute a Bank Product Provider with respect to a Bank Product unless and until Agent shall have received a Bank Product Provider Agreement from such Person and with respect to the applicable Bank Product within ten (10) days (or such later date as Agent may agree) after the provision of such Bank Product to Parent or its Subsidiaries.

"Bank Product Provider Agreement" means an agreement in substantially the form attached hereto as Exhibit B-2, in form and substance reasonably satisfactory to Agent, duly executed by the applicable Bank Product Provider, Borrowers, and Agent.

"Bank Product Reserve Amount" means, as of any date of determination, the Dollar amount of reserves that Agent has determined in its Permitted Discretion to establish (based upon the Bank Product Providers' reasonable determination of their credit exposure to Parent and its Subsidiaries in respect of Bank Product Obligations) in respect of Bank Products then provided or outstanding (taking into account any cash collateral then in the possession of a Bank Product Provider).

"Bankruptcy Code" means title 11 of the United States Code, as in effect from time to time.

"BA Rate" means (a) for a Lender that is a Schedule I chartered bank under the Bank Act (Canada), CDOR and (b) for any other Lender, the lesser of (i) the discount rate at which such Lender is prepared to purchase bankers' acceptances and (ii) CDOR plus ten (10) basis points.

"BA Rate Deadline" has the meaning specified therefor in Section 2.15(b) of the Agreement.

"BA Rate Loan" means each portion of the Canadian Revolving Loans that bears interest at a rate determined by reference to the BA Rate.

"BA Rate Notice" means a notice substantially in the form of Exhibit L-2.

"BA Rate Option" has the meaning specified therefor in Section 2.15 of the Agreement.

"BA Funding Losses" has the meaning specified therefor in Section 2.15 of the Agreement.

"Base Rate" means (a) for Base Rate Loans consisting of Canadian Revolving Loans in Canadian Dollars, the greater of (i) the prime lending rate as quoted by a Schedule I bank in Canada designated from time to time by Agent and (ii) the ninety (90) day BA Rate quoted from time to time, plus one and one-half percent (1.5%) and (b) for Base Rate Loans consisting of US Revolving Loans and for all other purposes, the greatest of (i) the Federal Funds Rate plus one-half percent (1/2%), (ii) the LIBOR Rate (which rate shall be calculated based upon an Interest Period of one (1) month and shall be determined on a daily basis), plus one percent (1%), and (iii) the rate of interest announced, from time to time, within Wells Fargo at its principal office in San Francisco as its "prime rate", with the understanding that the "prime rate" is one of Wells Fargo's base rates (not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publications as Wells Fargo may designate.

"Base Rate Loan" means each portion of the Revolving Loans that bears interest at a rate determined by reference to the Base Rate.

"BIA" means the Bankruptcy and Insolvency Act (Canada), R.S.C. 1985, c. B-3, as the same now exists or may from time to time hereafter be amended, modified, recodified or supplemented, together with all official rules, regulations and interpretations thereunder or related thereto.

"Board of Directors" means, as to any Person, the board of directors (or comparable managers) of such Person or any committee thereof duly authorized to act on behalf of the board of directors (or comparable managers).

"Borrower Materials" has the meaning specified therefor in Section 5.1(c) of the Agreement.

"Borrowers" means, collectively, US Borrowers and Canadian Borrowers.

"Borrowing" means a borrowing consisting of Revolving Loans made on the same day by the Lenders (or Agent on behalf thereof), or by Swing Lender in the case of a Swing Loan, or by Agent in the case of a Protective Advance.

"Borrowing Base" means, at any time, the sum of the US Borrowing Base plus the Canadian Borrowing Base.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which banks are authorized or required to close in the State of New York, or, in the case of Canadian Revolving Loans, the Province of Ontario except that, if a determination of a Business Day shall relate to a LIBOR Rate Loan, the term "Business Day" also shall exclude any day on which banks are closed for dealings in Dollar deposits in the London interbank market.

"CAM Exchange" has the meaning specified therefor in Section 9.4(a) of the Agreement.

"CAM Exchange Date" has the meaning specified therefor in Section 9.4(a) of the Agreement.

"CAM Percentage" has the meaning specified therefor in Section 9.4(d) of the Agreement.

"Canadian Borrowers" means (a) PolyOne Canada Inc., a federally incorporated Canadian corporation, and (b) any other Person that after the Effective Date becomes a Canadian borrower under the Agreement; sometimes being referred to herein individually as a "Canadian Borrower".

"Canadian Borrowing Base" means, at any time, the amount equal to

(a) the amount equal to eighty-five percent (85%) of the amount of Eligible Accounts of each Canadian Loan Party, plus

(b) the amount equal to the lesser of (A) seventy percent (70%) multiplied by the Value of Eligible Inventory of each Canadian Loan Party, (B) eighty-five percent (85%) of the Net Recovery Percentage multiplied by the Value of such Eligible Inventory or (C) sixty percent (60%) of the Canadian Maximum Credit, minus

(c) the aggregate amount of reserves applicable to Canadian Loan Parties, if any, established by Agent under Sections 2.1(e) and (f) of the Agreement.

"Canadian Borrowing Base Certificate" means a certificate in the form of Exhibit B-3.

"Canadian Collateral" means Collateral consisting of assets or interests in assets of Canadian Loan Parties, and the proceeds thereof.

"Canadian Commitment" means, with respect to each Lender, its Canadian Commitment, and, with respect to all Lenders, their Canadian Commitments, in each case as such Dollar amounts are set forth beside such Lender's name under the applicable heading on Schedule C-1 or in the Assignment and Acceptance pursuant to which such Lender became a Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 13.1 of the Agreement.

"Canadian Dollars" or "C$" means lawful currency of Canada.

"Canadian Dollar Denominated Loan" means a Revolving Loan denominated in Canadian Dollars.

"Canadian Excess Availability" means, as of any date of determination, the amount equal to (a) the lesser of (i) the Canadian Borrowing Base and (ii) the Canadian Maximum Credit (in each case after giving effect to any applicable reserves), minus, without duplication, (b) the amount of the Canadian Revolver Usage.

"Canadian Guarantors" means any Person organized under the laws of a jurisdiction in Canada that becomes a guarantor in respect of the Canadian Obligations after the Effective Date pursuant to the Agreement; sometimes being referred to herein individually as a "Canadian Guarantor".

"Canadian Lender" means, at any time, each Lender having a Canadian Commitment or a Canadian Revolving Loan owing to it or a participating interest in a Canadian Letter of Credit; sometimes being referred to herein collectively as "Canadian Lenders".

"Canadian Letter of Credit Disbursement" means a payment by Issuing Lender or Underlying Issuer pursuant to a Canadian Letter of Credit.

"Canadian Letter of Credit Usage" means, as of any date of determination, the aggregate undrawn amount of all outstanding Canadian Letters of Credit.

"Canadian Letters of Credit" means all Letters of Credit issued for the account of a Canadian Borrower.

"Canadian Loan Account" has the meaning specified therefor in Section 2.7 of this Agreement.

"Canadian Loan Parties" means Canadian Borrowers and Canadian Guarantors.

"Canadian Maximum Credit" means the US Dollar Equivalent of $50,000,000, as decreased by the amount of reductions in the Canadian Commitments in accordance with Section 2.3(c) of the Agreement or increased by the amount of increases in the Canadian Commitments in accordance with Section 2.12 of the Agreement.

"Canadian Obligations" means all Obligations of Canadian Borrowers.

"Canadian Pension Plan" means any plan, program or arrangement that is a pension plan for the purposes of any applicable pension benefits legislation or any tax laws of Canada or a Province thereof, whether or not registered under any such laws, which is maintained or contributed to by, or to which there is or may be an obligation to contribute by, any Borrower or Guarantor in respect of any Person's employment in Canada with such Borrower or Guarantor.

"Canadian Revolver Usage" means, as of any date of determination, the sum of (a) the principal amount of outstanding Loans to Canadian Borrowers, plus (b) the amount of the Canadian Letter of Credit Usage.

"Canadian Revolving Loans" has the meaning specified therefor in Section 2.1(b) of the Agreement.

"Canadian Security Agreement" means the Security Agreement, dated as of the Existing Closing Date, executed and delivered by the Canadian Loan Parties, as heretofore, now or hereafter amended or modified from time to time.

"Canadian Security Documents" means the Canadian Security Agreement, the Quebec Hypothec and any other Loan Document that grants or purports to grant a Lien on any Canadian Collateral.

"Canadian Swing Loan Limit" means $5,000,000; provided, that, the aggregate amount of US Swing Loans and Canadian Swing Loans at any time outstanding shall not exceed $50,000,000.

"Canadian Swing Loan" has the meaning specified therefor in Section 2.2(b)(ii) of the Agreement.

"Canadian Underlying Letter of Credit" means a Canadian Letter of Credit issued by an Underlying Issuer.

"Capital Expenditures" means, with respect to any Person for any period, the aggregate of all expenditures by such Person and its Subsidiaries during such period that are capital expenditures as determined in accordance with GAAP, whether such expenditures are paid in cash or financed (excluding (a) any such expenditure to the extent constituting a Permitted Acquisition or the Spartech Acquisition or made with the proceeds of any sale or other disposition of fixed assets (so long as such proceeds are applied (or committed to be applied pursuant to a written purchase order or contract) within one year of such sale), (b) expenditures made from insurance proceeds or condemnation awards, and (c) expenditures that are accounted for as capital expenditures of such Person and that are actually paid for by a non-Affiliate third party).

"Capitalized Lease Obligation" means that portion of the obligations under a Capital Lease that is required to be capitalized in accordance with GAAP.

"Capital Lease" means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Cash Dominion Event" means at any time (a) the Excess Availability Conditions are not satisfied or (b) an Event of Default shall occur and be continuing; provided, that, (i) to the extent that the Cash Dominion Event has occurred due to clause (a) of this definition, if the Excess Availability Conditions are satisfied for at least sixty (60) consecutive days, the Cash Dominion Event shall no longer be deemed to exist or be continuing until such time as the Excess Availability Conditions may again not be satisfied and (ii) a Cash Dominion Event may not be cured as contemplated by clause (i) more than two (2) times in any twelve (12) month period.

"Cash Equivalents" means any of the following Investments: (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) maturing not more than one year after the date of acquisition; (b) time deposits in and certificates of deposit of any Eligible Bank, provided that such Investments have a maturity date not more than two (2) years after date of acquisition and that the average term of all such Investments is one (1) year or less from the respective dates of acquisition; (c) repurchase obligations with a term of not more than one hundred eighty (180) days for underlying securities of the types described in clause (a) above entered into with any Eligible Bank; (d) direct obligations issued by any State of the United States or any political subdivision or public instrumentality thereof, provided, that, such Investments mature, or are subject to tender at the option of the holder thereof, within three hundred sixty-five (365) days after the date of acquisition and, at the time of acquisition, have a rating of at least A from Standard & Poor's Rating Group ("S&P") or A-2 from Moody's Investors Service, Inc. ("Moody's"), or an equivalent rating by any other nationally recognized rating agency; (e) commercial paper of any Person other than an Affiliate of Parent and other than structured investment vehicles, provided, that, such Investments have one of the two highest ratings obtainable from either S&P or Moody's and mature within one hundred eighty (180) days after the date of acquisition; (f) overnight and demand deposits in and bankers' acceptances of any Eligible Bank and demand deposits in any bank or trust company to the extent insured by the Federal Deposit Insurance Corporation against the Bank Insurance Fund; (g) money market funds substantially all of the assets of which comprise Investments of the types described in clauses (a) through (f); (h) instruments equivalent to those referred to in

clauses (a) through (g) above or funds equivalent to those referred to in clause (g) above denominated in U.S. dollars, Euros or any other foreign currency comparable in credit quality and tenor to those referred to in such clauses and customarily used by corporations for cash management purposes in jurisdictions outside the United States to the extent reasonably required in connection with any business conducted by any Restricted Subsidiary organized in such jurisdiction, all as determined in good faith by Parent; (i) investments with guaranteed principal approved by the Board of Directors of Parent (including any standing authorizations) and (j) "Authorized Investment Securities" as defined in the PolyOne Corporation Cash Investment Policy, effective August 31, 2012, and as in effect on the Effective Date. "Eligible Bank" means a Lender or any Affiliate of a Lender or such other bank or trust company that (i) is licensed, chartered or organized and existing under the laws of the United States of America or Canada, or any State, Territory, province or possession thereof, (ii) as of the time of the making or acquisition of an Investment in such bank or trust company, has combined capital and surplus in excess of $500,000,000 and (iii) the senior Indebtedness of which is rated at least "A-2" by Moody's or at least "A" by S&P.

"Cash Management Services" means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other cash management arrangements.

"CCAA" means the Companies' Creditors Arrangement Act, R.S.C. 1985, c.C-36, as the same now exists or may from time to time hereafter be amended, modified, recodified or supplemented, together with all official rules, regulations and interpretations thereunder or related thereto.

"CDOR" means, on any day, the annual rate of interest which is the rate equal to the average rate for Canadian Dollar bankers' acceptances issued on such day for a term equal or comparable to the applicable Interest Period or, if no Interest Period is specified, thirty (30) days) for the purpose of calculating the interest rate applicable as such rate appears on the "Reuters Screen CDOR Page" (as defined in the International Swaps and Derivatives Association, Inc. 2000, definitions, as modified and amended from time to time) rounded to the nearest 1/100th of 1% (with 0.005% being rounded up), as of 10:00 a.m. (Toronto, Ontario time) on such day, or if such day is not a Business Day, then on the immediately preceding Business Day; provided, that, if such rate does not appear on the Reuters Screen CDOR Page as contemplated, then the CDOR Rate on any day shall be the average of the rates applicable to Canadian Dollar bankers' acceptances having an equivalent term quoted by the Schedule I Canadian chartered banks as of 1000 a.m. (Toronto, Ontario time) on such day, or if such day is not a Business Day, then on the immediately preceding Business Day.

"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.

"CFC" means a controlled foreign corporation (as that term is defined in the IRC).

"CFC Holding Company" means any Subsidiary of Parent which is a Domestic Subsidiary that has no material assets or material operations other than the Equity Interests of a CFC.

"Change of Control" means:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, 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 percent (30%) or more of the equity securities of Parent entitled to vote for members of the Board of Directors or equivalent governing body of Parent 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 Parent cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body (excluding, in the case of both clause (ii) and clause (iii), any individual whose initial nomination for, or assumption of office as, a member of that board or equivalent governing body occurs as a result of an actual or threatened solicitation of proxies or consents for the election or removal of one or more directors by any person or group other than a solicitation for the election of one or more directors by or on behalf of the Board of Directors); or

(c) except as otherwise expressly permitted herein, Parent shall cease to be the direct or indirect holder and owner of one hundred percent (100%) of the Equity Interests of Borrowers; or

(d) a "change of control" or any comparable term under, and as defined in, the 2015 Notes, the 2020 Notes, the Current Notes, or other Indebtedness outstanding in an aggregate principal amount in excess of $35,000,000 shall have occurred.

"Code" means the New York Uniform Commercial Code, as in effect from time to time.

"Collateral" means all assets and interests in assets and proceeds thereof now owned or hereafter acquired by any Loan Party in or upon which a Lien is granted by such Person in favor of Agent or the Lenders under any of the Loan Documents.

"Collateral Access Agreement" means a landlord waiver, bailee letter, or acknowledgement agreement of any lessor, warehouseman, processor, consignee, or other Person in possession of, having a Lien upon, or having rights or interests in Parent's or its Subsidiaries' books and records, Equipment, or Inventory, in each case, in form and substance reasonably satisfactory to Agent.

"Collections" means all cash, checks, notes, instruments, and other items of payment (including insurance proceeds, cash proceeds of asset sales, rental proceeds, and tax refunds).

"Commitment" means, with respect to each Lender, its US Commitment or Canadian Commitment, as applicable, and, with respect to all Lenders, their US Commitments or Canadian Commitments, as applicable.

"Compliance Certificate" means a certificate substantially in the form of Exhibit C-1 delivered by the chief financial officer of Administrative Borrower to Agent.

"Confidential Information" has the meaning specified therefor in Section 17.9(a) of the Agreement.

"Consolidated EBITDA" means, at any date of determination, an amount equal to Consolidated Net Income of Parent and its Restricted Subsidiaries on a consolidated basis for the most recently completed twelve (12) consecutive fiscal months plus (a) the following to the extent deducted in calculating such Consolidated Net Income (i) Consolidated Interest Expense, (ii) the provision for federal, state, provincial, local and foreign income taxes payable, (iii) depreciation and amortization expense, (iv) other non-recurring expenses reducing such Consolidated Net Income of which the aggregate amount of cash items shall not exceed the lesser of three percent (3%) of Consolidated EBITDA for such period or $7,500,000 (provided, that, the aggregate amount of the non-recurring expenses consisting of cash items referred to in this clause (iv), plus the amount of environmental remediation costs and expenses under clause (xviii) below shall not exceed $12,000,000) or do not represent a cash item in such period or any future period, excluding write-offs or write-downs of Accounts or Inventory, (v) non-cash compensation expense in respect of stock option plans, restricted stock and other employee equity compensation plans, (vi) non-cash goodwill or other intangible asset impairment charges and write-offs of goodwill and other intangible assets, in each case, pursuant to ASC 350 or any similar rule announced by the Financial Accounting Standards Board, (vii) fees and expenses (including without limitation, if the Spartech Acquisition is consummated, prepayment fees and expenses associated with the repayment, redemption or discharge of any indebtedness of the business of Spartech and its Subsidiaries) incurred in connection with (A) if incurred prior to or within ninety (90) days after the Effective Date, the Transactions, (B) the Agreement and the other Loan Documents related to amendments and waivers thereof, including any legal fees in connection therewith, or (C) the Spartech Acquisition, (viii) non-cash restructuring charges, (ix) non-cash effects of changes in accounting principles, (x) losses from asset sales not in the ordinary course of business, (xi) non-cash losses on the early extinguishment of Indebtedness, (xii) non-cash purchase accounting charges required by ASC 805 or any similar rule announced by the Financial Accounting Standards Board, (xiii) non-cash unrealized losses and charges with respect to Hedging Agreements, including such losses and charges which arise from foreign currency losses, (xiv) other non-cash items to the extent such non-cash items are not accruals for

future payments, (xv) foreign currency translation losses, (xvi) non-recurring cash costs and expenses relating to the assimilation and integration of the business of Colormatrix Group, Inc. and its Subsidiaries incurred on or prior to February 28, 2013 in an aggregate amount not to exceed $5,000,000 (in each case, of or by Parent and its Subsidiaries for such period), (xvii) if the Spartech Acquisition is consummated, non-recurring cash costs and expenses relating to the assimilation and integration of the business of Spartech and its Subsidiaries incurred within twelve months of the closing date of the Spartech Acquisition in an aggregate amount not to exceed $5,000,000 (in each case, of or by Parent and its Subsidiaries for such period), (xviii) non-recurring cash costs and expenses incurred in connection with any Permitted Acquisition that is consummated, incurred within twelve months of the closing date of such Permitted Acquisition and relating to the acquisition and assimilation and integration of the Acquired Business in an aggregate amount not to exceed ten percent (10%) of EBITDA for the prior twelve months of such Acquired Business (in each case, of or by Parent and its Subsidiaries for such period), and (xix) environmental remediation costs and expenses not to exceed $7,000,000 per fiscal year related to the Real Property at the locations set forth on Schedule C-2, provided, that, (A) the aggregate amount of the non-recurring expenses consisting of cash items referred to in clause (iv) above, plus the amount of environmental remediation costs and expenses under this clause (xviii) shall not exceed $12,000,000 and (B) to the extent that such environmental remediation costs and expenses in any fiscal year commencing with the fiscal year ending December 31, 2012 are less than $7,000,000, then such limit for the immediately following year shall be increased by up to $1,000,000 of such difference; and minus (b) the following to the extent included in calculating such Consolidated Net Income (i) federal, state, provincial, local and foreign income tax credits; (ii) interest income, (ii) any gains from asset sales not in the ordinary course of business, (iii) non-cash effects of changes in accounting principles, (iv) non-cash gains on the early extinguishment of Indebtedness, (v) non-cash unrealized gains with respect to Hedging Agreements, (vi) other non-cash income or gains, and (vii) foreign currency translation gains (in each case of or by Parent and its Restricted Subsidiaries for such period).

"Consolidated Interest Expense" means, for any period, as to any Person, as determined in accordance with GAAP, the amount equal to the consolidated interest expense of such Person for such period, whether paid or accrued (including capitalized interest with respect to Fixed Charges for such period), excluding to the extent related to the Transactions, all prepayment of any original issue discount and all upfront and arrangement fees due and payable on the Effective Date and, if the Spartech Acquisition is consummated, all prepayment fees and expenses associated with the repayment, redemption or discharge of any indebtedness of Spartech and its Subsidiaries.

"Consolidated Net Income" means, at any date of determination, the net income (or loss) of Parent and its Restricted Subsidiaries, on a consolidated basis, for the relevant period determined in accordance with GAAP; provided, that, Consolidated Net Income shall exclude (a) extraordinary gains and extraordinary losses (and any associated tax benefits or costs) for such period, (b) gains or losses in respect of any sale, transfer, exclusive license, lease or other disposition (including any sale and leaseback transaction) of any property by Parent or any of its Restricted Subsidiaries, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or Accounts or any rights and claims associated therewith (net of fees and expenses relating to the transaction giving rise thereto), on an after-tax basis and (c) 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 Governing Documents or any agreement, instrument or Law applicable to such Subsidiary during such period, except that Parent's equity in any net loss of any such Subsidiary for such period shall be included in determining Consolidated Net Income.

"Control Agreement" means a control agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by a Borrower or one of its Subsidiaries, Agent, and the applicable securities intermediary (with respect to a Securities Account) or bank (with respect to a Deposit Account).

"Controlled Account Agreement" has the meaning specified therefor in the Security Agreement.

"Copyright Security Agreement" has the meaning specified therefor in the Security Agreement.

"Currency Due" has the meaning specified in Section 17.15 of this Agreement.

"Current Notes" means the 5.25% Senior Notes due 2023 issued by Parent.

"Current Notes Indenture" means the Indenture dated as of February 28, 2013, by and between Parent and the Current Notes Trustee.

"Current Notes Trustee" means Wells Fargo Bank, National Association, in its capacity as trustee under the Current Notes Indenture.

"Daily Balance" means, as of any date of determination and with respect to any Obligation, the amount of such Obligation owed at the end of such day.

"Default" means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

"Defaulting Lender" means, subject to Section 2.13(b), any Lender that (a) has failed to (i) fund all or any portion of its Revolving Loans or participations in Swing Loans, Protective Advances or Letters of Credit within two (2) Business Days of the date any of the foregoing were required to be funded by it hereunder unless such Lender notifies Agent and Administrative Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (which conditions precedent, together with the applicable default, if any, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to Agent, Issuing Lender, Swing 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 Swing Loans) within two (2) Business Days of the date when due, (b) has notified Administrative Borrower, Agent or Issuing Lender or Swing 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 Revolving 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 the applicable default, if any, 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 Agent or Administrative Borrower, to confirm in writing to Agent and Administrative 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 Agent and Administrative Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under the Bankruptcy Code or any 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 jurisdiction, or (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; 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 or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by Agent that a Lender is a Defaulting Lender under clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.13(b)) upon delivery of written notice of such determination to Administrative Borrower, Issuing Lender, Swing Lender and each Lender.

"Defaulting Lender Rate" means (a) for the first three (3) days from and after the date the relevant payment is due, the Base Rate, and (b) thereafter, the interest rate then applicable to Revolving Loans that are Base Rate Loans (inclusive of the Applicable Margin applicable thereto).

"Deposit Account" means any deposit account (as that term is defined in the Code).

"Designated Account" means the Deposit Account of Administrative Borrower identified on Schedule D-1.

"Designated Account Bank" has the meaning specified therefor in Schedule D-1.

"Disqualified Equity Interest" means, with respect to any Person, any Equity Interest in such Person that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, either mandatorily or at the option of the holder thereof) or upon the happening of any event or condition:

(a) matures or is mandatorily redeemable (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), whether pursuant to a sinking fund obligation or otherwise;

(b) is convertible or exchangeable at the option of the holder thereof for Indebtedness or Equity Interests (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interest and cash in lieu of fractional shares of such Equity Interests); or

(c) is redeemable (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interest and cash in lieu of fractional shares of such Equity Interests) or is required to be repurchased by such Person or any of its Affiliates, in whole or in part, at the option of the holder thereof;

in each case, on or prior to the date that is ninety-one (91) days after the Maturity Date; provided, that, an Equity Interest that would not constitute a Disqualified Equity Interest but for terms thereof giving holders thereof the right to require such Person to redeem or purchase such Equity Interest upon the occurrence of an "asset sale" or a "change of control" shall not constitute a Disqualified Equity Interest if any such requirement becomes operative only after repayment in full in cash of all of the Obligations, the cancellation or expiration of all Letters of Credit and the termination of the Commitments.

"Dollars" or "$" means lawful currency of the United States.

"Domestic Subsidiary" means any direct or indirect Subsidiary of a Loan Party other than a Foreign Subsidiary.

"Effective Date" means March 1, 2013.

"Eligible Accounts" means those Accounts created by any Loan Party in the ordinary course of its business, that arise out of the sale of goods or rendition of services by such Loan Party, as the case may be, that comply with each of the representations and warranties respecting Eligible Accounts made in the Loan Documents, and that are not excluded from being Eligible Accounts as a result of the failure to satisfy any of the criteria set forth below. In determining the amount to be included, Eligible Accounts shall be calculated net of customer deposits, taxes, discounts, credits, allowances, rebates and unapplied cash. Eligible Accounts shall not include the following:

(a) Accounts (i) that the Account Debtor (other than Whirlpool) has failed to pay within one hundred and twenty (120) days of the original invoice date or within sixty (60) days of the original due date, or that have payment terms of more than ninety (90) days or (ii) as to which the Account Debtor is Whirlpool and that Whirlpool has failed to pay within one hundred fifty (150) days of the invoice date or that have payment terms of more than one hundred twenty (120) days,

(b) Accounts owed by an Account Debtor (or its Affiliates) where fifty percent (50%) or more of all Accounts owed by that Account Debtor (or its Affiliates) are deemed ineligible under clause (a) above,

(c) Accounts with respect to which the Account Debtor is an Affiliate of a Loan Party or an employee or agent of a Loan Party or any Affiliate of a Loan Party,

(d) Accounts arising in a transaction wherein goods are placed on consignment or are sold pursuant to a guaranteed sale, a sale or return, a sale on approval, a bill and hold, or any other terms by reason of which the payment by the Account Debtor may be conditional; except, that, up to $15,000,000 at any time outstanding of Accounts arising from transactions under which the subject goods are pre-billed by not more than five (5) days prior the shipping date and are shipped by a Loan Party FOB destination and which otherwise satisfy all of the requirements of this definition of Eligible Accounts shall constitute Eligible Accounts hereunder,

(e) Accounts that are not payable in Dollars or Canadian Dollars,

(f) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in the United States or Canada unless such Accounts are (A) Eligible Foreign Accounts, (B) Eligible Whirlpool Foreign Accounts or (C) Eligible Credit Insurance Accounts, or (ii) is not organized under the laws of the United States or Canada or any State or province thereof unless such Accounts are either (A) Eligible Foreign Accounts, (B) Eligible Whirlpool Foreign Accounts or (C) Eligible Credit Insurance Accounts, or (iii) is the government of any foreign country or sovereign state, or of any State, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless the Account is supported by an irrevocable letter of credit reasonably satisfactory to Agent (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Agent and is directly drawable by Agent,

(g) Accounts with respect to which the Account Debtor is either (i) the United States or Canada or any department, agency, or instrumentality thereof (other than Accounts with respect to which Loan Parties have complied, to the reasonable satisfaction of Agent, with the Assignment of Claims Act, 31 USC §3727 or the Financial Administration Act (Canada)), or (ii) any State of the United States or province or territory of Canada,

(h) Accounts with respect to which the Account Debtor is a creditor of a Loan Party, has or has asserted a right of setoff, or has disputed its obligation to pay all or any portion of the Account, to the extent of the amount of such claim, right of setoff, or dispute,

(i) Accounts with respect to which (i) the Account Debtor is Whirlpool, if the total obligations owing by Whirlpool to Loan Parties exceeds fifteen percent (15%) of all Eligible Accounts, to the extent of the obligations owing by such Account Debtor in excess of such percentage and (ii) the Account Debtor is any Person or any of its Affiliates (other than Whirlpool) if the total obligations owing by such Person and its Affiliates to Loan Parties exceeds ten percent (10%) of all Eligible Accounts, to the extent of the obligations owing by such Account Debtor in excess of such percentage; provided, that, in each case, the amount of Eligible Accounts that are excluded because they exceed the foregoing percentage shall be determined by Agent based on all of the otherwise Eligible Accounts prior to giving effect to any eliminations based upon the foregoing concentration limit,

(j) Accounts with respect to which the Account Debtor is subject to an Insolvency Proceeding, is not solvent, has gone out of business, or as to which a Loan Party has received notice of an imminent Insolvency Proceeding or a material impairment of the financial condition of such Account Debtor,

(k) Accounts, the collection of which, Agent, in its Permitted Discretion, believes to be doubtful by reason of the Account Debtor's financial condition,

(l) Accounts that are not subject to the valid and perfected first priority Agent's Lien, other than, as to priority, the Permitted Liens under clause (c) to the extent such Liens may apply to Accounts,

(m) Accounts that are subject to any Lien other than Agent's Lien or those permitted in clauses (b) and (c) of the definition of the term Permitted Liens (but only to the extent that Agent has established a reserve in respect thereof) and any other Liens permitted under this Agreement that are subject to an intercreditor agreement in form and substance reasonably satisfactory to Agent between the holder of such Lien and Agent,

(n) Accounts with respect to which (i) the goods giving rise to such Account have not been shipped and billed to the Account Debtor, or (ii) the services giving rise to such Account have not been performed and billed to the Account Debtor,

(o) Accounts with respect to which the Account Debtor is a Sanctioned Person or Sanctioned Entity,

(p) Accounts that represent the right to receive progress payments or other advance billings that are due prior to the completion of performance by Loan Parties of the subject contract for goods or services, or

(q) Accounts acquired pursuant to a Permitted Acquisition or a Permitted Investment as to which Agent shall have not completed an Acceptable Field Exam, unless such Accounts are Eligible Acquired Business Accounts.

The criteria for Eligible Accounts set forth above may only be changed and any new criteria for Eligible Accounts may only be established by Agent based on either (i) an event, condition or other circumstance arising after the Effective Date, or (ii) an event, condition or other circumstance existing on the Effective Date to the extent that such event, condition or circumstance has not been identified by a Borrower to the field examiners of Agent prior to the Effective Date (except to the extent that it may have been identified but Agent, in consultation with Borrowers, has intentionally elected not to establish a reserve with respect thereto as of the Effective Date), in either case under clause (i) or (ii) which adversely affects or could reasonably be expected to adversely affect the Accounts as determined by Agent in its Permitted Discretion. Any Accounts that are not Eligible Accounts shall nevertheless be part of the Collateral. For avoidance of doubt, any Accounts determined ineligible under more than one clause above shall be calculated without duplication.

"Eligible Acquired Business Accounts" means Accounts (a) acquired by a US Loan Party in connection with a Permitted Acquisition or a Permitted Investment, (b) that satisfy all of the criteria of "Eligible Accounts" other than clause (f) thereof, (c) as to which the Account Debtor maintains its chief executive office in the United States and is organized under the laws of the United States or a State thereof, and (d) owned by an Acquired Business as to which Agent has not yet completed an Acceptable Field Exam.

"Eligible Acquired Business Inventory" means Inventory (a) acquired by a US Loan Party in connection with a Permitted Acquisition or a Permitted Investment, (b) that satisfies all of the criteria of "Eligible Inventory" other than clauses (c) and (l) thereof, (c) that is located at one of a US Loan Party's owned or leased locations in the continental United States, and (d) owned by an Acquired Business as to which Agent has not yet completed an Acceptable Field Exam and an Inventory appraisal reasonably satisfactory to Agent.

"Eligible Credit Insurance Accounts" means Accounts (other than Eligible Foreign Accounts) that would otherwise be Eligible Accounts (other than for the Account Debtor of such Account not maintaining its chief executive office in the United States or not being organized under the laws of the United States or any State thereof) and are covered by credit insurance in form, substance, and amount, and by an insurer, reasonably satisfactory to Agent; provided, that, the aggregate amount of Accounts constituting Eligible Credit Insurance Accounts for purposes of the calculation of the Borrowing Base at any time will not exceed $7,500,000.

"Eligible Domestic In-Transit Inventory" means Inventory that would otherwise be Eligible Inventory (other than for its location) that has been shipped from a location of any Loan Party or from the manufacturer or wholesale distributor thereof within the United States or Canada for receipt at a location of any Loan Party within the United States or Canada and permitted hereunder, within thirty (30) days of shipment, but in either case, which has not yet been delivered to such Loan Party, for which the purchase order is in the name of a Loan Party, title has passed to such Loan Party (and Agent has received such evidence thereof as it has requested) and which is insured in accordance with the terms of the Agreement; provided, that, the aggregate amount of Inventory constituting Eligible Domestic In-Transit Inventory for purposes of the calculation of the Borrowing Base at any time will not exceed $15,000,000.

"Eligible Foreign Account Debtor" means a Subsidiary of each of the following entities, which Subsidiary does not maintain its chief executive office in the United States or is not organized under the laws of any State of the United States: (a) PPG Industries, (b) Valspar Corporation, (c) Corning Inc., (d) 3M Company, (e) Dow Chemical Company, (f) Meadwestvaco Corporation, (g) Avery Dennison Corporation, (h) Baxter International, (i) The Procter & Gamble Company, (j) Stanley Black & Decker, Inc. and (k) Eaton Corporation.

"Eligible Foreign Accounts" means Accounts that would otherwise be Eligible Accounts (other than for the Account Debtor of such Account not maintaining its chief executive office in the United States or not being organized under the laws of the United States or any state thereof) for which the Account Debtor is an Eligible Foreign Account Debtor; provided, that, (a) such Accounts are invoiced from the United States and payable in US Dollars, (b) such Eligible Foreign Account Debtor maintains a rating from S&P of BBB- or better and (c) the aggregate amount of Accounts constituting Eligible Foreign Accounts for purposes of the calculation of the Borrowing Base at any time will not exceed $25,000,000, minus the aggregate amount of Accounts constituting Eligible Whirlpool Foreign Accounts at such time.

"Eligible Inventory" means Inventory owned by any Loan Party consisting of finished goods held for sale in the ordinary course of its business and raw materials for such finished goods, that complies with each of the representations and warranties respecting Eligible Inventory made in the Loan Documents, and that is not excluded from being Eligible Inventory

as a result of the failure to satisfy any of the criteria set forth below. In determining the amount to be so included, Inventory shall be valued at the lower of cost or market on a basis consistent with historical accounting practices of Loan Parties, without regard to intercompany profit or increases for currency exchange rates. An item of Inventory shall not be included in Eligible Inventory if:

(a) a Loan Party does not have good and valid title thereto,

(b) a Loan Party does not have actual and exclusive possession thereof (either directly or through a bailee or agent of Loan Parties),

(c) it is not located at one of a Loan Party's owned or leased locations in the continental United States or Canada,

(d) it is in-transit to or from a location of a Loan Party (other than in-transit between a Loan Party's location in the continental United States or Canada and another Loan Party's location in the continental United States or Canada) unless such Inventory is Eligible Domestic In-Transit Inventory,

(e) it is located on Real Property leased by a Loan Party (unless Agent has a received a satisfactory Collateral Access Agreement executed by the lessor with respect thereto or established a reserve in respect thereof) or in a contract warehouse (unless Agent has received a satisfactory Collateral Access Agreement executed by the warehouseman with respect thereto or established a reserve in respect thereof and is segregated or otherwise separately identifiable from goods of others, if any, stored on the premises of such warehouse) unless such Inventory is Eligible Domestic In-Transit Inventory,

(f) it is the subject of a bill of lading or other document of title (other than the same delivered to Agent as to goods in transit between locations of Loan Parties as provided in clause (d) above),

(g) subject to clause (h) below, it is not subject to the valid and perfected first priority Lien of Agent,

(h) it is subject to any Lien other than Agent's Lien and those permitted in clauses (b), (c) or (d) of the definition of Permitted Liens (but only to the extent that Agent has established a reserve in respect thereof) and any other Liens permitted under this Agreement that are subject to an intercreditor agreement in form and substance reasonably satisfactory to Agent between the holder of such Lien and Agent,

(i) it consists of goods returned or rejected by a Loan Party's customer,

(j) it consists of goods that are obsolete or slow moving, restrictive or custom items, work-in-process, or goods that constitute spare parts, packaging and shipping materials, supplies used or consumed in Loan Parties' business, bill and hold goods, defective goods, "seconds," or Inventory acquired on consignment,

(k) it contains or bears any intellectual property rights licensed to a Loan Party unless Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor, (ii) violating any contract with such licensor, (iii) incurring any liability with respect to the payment of royalties other than royalties incurred pursuant to the sale of such Inventory under the current licensing agreement (provided, that, as of the date hereof based on the information received by Agent prior to the date hereof, the only license agreements that restrict Agent's ability to dispose of any Inventory are those that Agent has identified to Administrative Borrower on or prior to the date hereof), or

(l) it was acquired in connection with a Permitted Acquisition or a Permitted Investment, until the completion of an appraisal of such Inventory, reasonably satisfactory to Agent and an Acceptable Field Exam with respect to such Inventory (which appraisal and Acceptable Field Exam may be conducted prior to the closing of such Permitted Acquisition or such Permitted Investment, as applicable), unless such Inventory is Eligible Acquired Business Inventory.

The criteria for Eligible Inventory set forth above may only be changed and any new criteria for Eligible Inventory may only be established by Agent based on either (i) an event, condition or other circumstance arising after the Effective Date, or (ii) an event, condition or other circumstance existing on the Effective Date to the extent that such event, condition or circumstance has not been identified by a Borrower to the field examiners of Agent prior to the Effective Date (except to the extent that it may have been identified but Agent, in consultation with Borrowers, has intentionally elected not to establish a reserve with respect thereto as of the Effective Date), in either case under clause (i) or (ii) which adversely affects or could reasonably be expected to adversely affect the Inventory as determined by Agent in its Permitted Discretion. Any Inventory that is not Eligible Inventory shall nevertheless be part of the Collateral. For avoidance of doubt, any Inventory determined ineligible under more than one clause above shall be calculated without duplication.

"Eligible Transferee" means (a) a commercial bank organized under the laws of the United States, or Canada or any State or Province thereof, and having total assets in excess of $500,000,000, (b) a commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development or a political subdivision of any such country and which has total assets in excess of $500,000,000, provided that such bank is acting through a branch or agency located in the United States, (c) a finance company, insurance company, or other financial institution or fund that is engaged in making, purchasing, or otherwise investing in commercial loans in the ordinary course of its business and having (together with its Affiliates) total assets in excess of $500,000,000, (d) any Affiliate (other than individuals) of a pre-existing Lender, and (e) any other Person approved by Agent. Nothing in this definition shall be construed to affect the rights of Administrative Borrower to consent to any assignment of any Lender's rights and obligations under the Agreement to an Eligible Transferee to the extent such consent is required in accordance with Section 13.1 of the Agreement.

"Eligible Whirlpool Foreign Accounts" means Accounts owing by a Whirlpool Foreign Affiliate to a US Loan Party that would otherwise be Eligible Accounts (other than for the Account Debtor of such Account not maintaining its chief executive office in the United States

or not being organized under the laws of the United States or any state thereof); provided, that, (a) such Accounts are invoiced from the United States by a US Loan Party and payable in US Dollars, (b) such Accounts are paid to the applicable US Loan Party and promptly deposited by such US Loan Party into a Deposit Account in the United States maintained at Wells Fargo or another Lender, which Deposit Account is subject to a Control Agreement and is subject to the valid, enforcement and first priority perfected security interest of Agent, and (c) the aggregate amount of Accounts constituting Eligible Whirlpool Foreign Accounts for purposes of the calculation of the Borrowing Base at any time will not exceed $10,000,000.

"Environmental Action" means any judicial, administrative or regulatory action, suit or proceeding arising under Environmental Law.

"Environmental Law" means any and all federal, state, provincial, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liabilities" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrowers, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Lien" means a Lien arising under Environmental Law.

"Equipment" means equipment (as that term is defined in the Code).

"Equity Interests" means, with respect to any Person, all of the shares, interests, participations or other equivalents (however designated) of such Person's capital stock or partnership, limited liability company or other equity, ownership or profit interests at any time outstanding, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), but excluding any interests in phantom equity plans and any debt security that is convertible into or exchangeable for such shares, and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute thereto.

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

"ERISA Event "means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any US Loan Party 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 a US Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification to a US Loan Party or any ERISA Affiliate that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate a Pension Plan, or 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 within the meaning of Section 430 of the Code or Section 303 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon Parent or any ERISA Affiliate.

"Event of Default" has the meaning specified therefor in Section 8 of the Agreement.

"Excess Availability" means, as of any date of determination, the sum of US Excess Availability plus Canadian Excess Availability.

"Excess Availability Conditions" means at any time that either (a) Excess Availability is less than ten percent (10%) of the Maximum Credit for any one (1) Business Day, (b) US Excess Availability is less than seven and one-half percent (7.5%) of the Maximum Credit for any one (1) Business Day, (c) Excess Availability is less than twelve and one-half percent (12.5%) of the Maximum Credit for any three (3) consecutive Business Days or (d) US Excess Availability is less than ten percent (10%) of the Maximum Credit for any three (3) consecutive Business Days.

"Exchange Act" means the Securities Exchange Act of 1934, as in effect from time to time.

"Exchange Rate" means on any date, as determined by Agent, the spot selling rate posted by Reuters on its website for the sale of the applicable currency for US Dollars or applicable Judgment Currency at approximately 1100 a.m., local time, on such date; provided, that if, for any reason, no such spot rate is being quoted, the spot selling rate shall be determined by reference to such publicly available service for displaying exchange rates as may be reasonably selected by Agent, or, in the event no such service is available, such spot selling rate shall instead be the rate reasonably determined by Agent as the spot rate of exchange in the market where its foreign currency exchange operations in respect of the applicable currency are then being conducted, at or about 1100 a.m., local time, on the applicable date for the purchase of the relevant currency for delivery two (2) Business Days later.

"Excluded Subsidiary" means (a) any CFC if the pledge of its assets or more than sixty-five percent (65%) of its voting shares in favor of Agent would result in adverse tax consequences to Parent, (b) any Subsidiary of a CFC, (c) CFC Holding Company and (d) each Immaterial Subsidiary.

"Existing Closing Date" means December 21, 2011.

"Existing Credit Agreement" means the Credit Agreement dated as of the Existing Closing Date by and among Borrowers, the other Loan Parties party thereto, Agent and the Lenders party thereto, as amended or modified prior to the Effective Date.

"Existing Letters of Credit" means (a) those letters of credit issued for the account of a Borrower by an Issuing Lender and outstanding on the Effective Date, which are described on Schedule E-1 to the Agreement and (b) if the Spartech Acquisition is consummated, those letters of credit issues for the account of Spartech or any of its Subsidiaries and outstanding on the closing date of the Spartech Acquisition, as identified in writing by Administrative Borrower to Agent at such time.

"Existing Note Secured Debt Limit" means the amount of any Indebtedness that may be secured by Permitted Liens (as defined in the 2020 Notes Indenture) up to the amounts set forth in clause (i) of such definition thereof. As of the date hereof, the only such limitation that is applicable to the Indebtedness under the Agreement is set forth in Section 4.12 of the 2020 Note Indenture.

"Existing Obligations" means the "Obligations" as defined in the Existing Credit Agreement.

"FATCA" means Sections 1471, 1472, 1473 and 1474 of the IRC (and any successor thereto), the United States Treasury Regulations promulgated thereunder and published guidance with respect thereto.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal to, for each day during such period, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by Agent from three Federal funds brokers of recognized standing selected by it.

"Fee Letter" means the amended and restated fee letter, dated of even date with the Agreement, among Borrowers and Agent, in form and substance reasonably satisfactory to Agent.

"First Lien Collateral" means all personal property of each Loan Party, other than Equipment and other Excluded Property (as defined in each of the Security Agreement and the Canadian Security Agreement).

"Fixed Asset Lender" has the meaning specified therefor in Section 5.12 of the Agreement.

"Fixed Charge Coverage Ratio" means, for any Person and its Subsidiaries, with respect to any date of determination, the ratio of (a) the amount equal to (i) Consolidated EBITDA of any such Person and its Subsidiaries on a consolidated basis, as of the end of a fiscal month for the immediately preceding twelve (12) consecutive fiscal months for which Agent has received financial statements, minus (ii) Capital Expenditures of such Person and its Subsidiaries during such period to the extent not financed by a third party, to (b) Fixed Charges of such Person and its Subsidiaries for such period.

"Fixed Charges" means, with respect to any fiscal period and with respect to Parent determined on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) Consolidated Interest Expense paid in cash during such period, (b) principal payments in respect of Indebtedness that are required to be paid during such period (excluding (i) the repayment of the 2012 Notes and the 2015 Notes and (ii) other mandatory prepayments made with Net Cash Proceeds arising from the transaction requiring such mandatory prepayment under the terms of the applicable Indebtedness), and (c) all federal, state, provincial, local and foreign income taxes paid in cash during such period, and (d) all Restricted Payments paid in cash during such period, provided, that, so long as at the time of any Restricted Payments used to purchase the common Equity Interests of Parent, and after giving effect thereto, the aggregate amount of Excess Availability plus Qualified Cash is greater than $150,000,000, such Restricted Payments made during the 2013 and 2014 fiscal years of Parent in an aggregate amount of up to the lesser of $250,000,000 and the fair market value of 10,000,000 shares of common Equity Interests of Parent, shall not be included in Fixed Charges.

"Foreign Lender" means any Lender or Participant that is not a United States person within the meaning of IRC Section 7701(a)(30).

"Foreign Subsidiary" means a direct or indirect Subsidiary of a Loan Party organized or incorporated under the laws of a jurisdiction other than a State of the United States, the United States, the District of Columbia, a Province or Territory of Canada or Canada.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to Issuing Lender, such Defaulting Lender's Pro Rata Share of the outstanding Letters of Credit with respect to Letters of Credit issued by Issuing Lender other than outstanding Letters of Credit as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or subject to Letter of Credit Collateralization in accordance with the terms hereof, and (b) with respect to Swingline Lender, such Defaulting Lender's Pro Rate Share of outstanding Swing Loans made by Swing Lender other than Swing Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders.

"Funding Date" means the date on which a Borrowing occurs.

"Funding Losses" has the meaning specified therefor in Section 2.10(b)(ii) of the Agreement.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States, consistently applied; provided, that, all calculations relative to liabilities shall be made without giving effect to Statement of Financial Accounting Standards No. 159.

"Glasforms Acquisition" means the acquisition by Parent of the Equity Interests of Glasforms, Inc., a California corporation ("Glasforms"), pursuant to the terms of the certain Share Purchase Agreement dated December 19, 2012 by and among Parent, Glasforms, and the holders of the Equity Interests of Glasforms.

"Governing Documents" means, with respect to any Person, the certificate or articles of incorporation, articles of association, by-laws, certificate of formation, limited liability agreement, limited partnership agreement or other organizational documents of such Person.

"Governmental Authority" means any federal, state, local, or other governmental or administrative body, instrumentality, board, department, or agency or any court, tribunal, administrative hearing body, arbitration panel, commission, or other similar dispute-resolving panel or body.

"Guarantors" means, collectively, US Guarantors and Canadian Guarantors.

"Guaranty" means the guaranty, dated as of the Existing Closing Date, by US Loan Parties in favor of Agent, for the benefit of the Lender Group and the Bank Product Providers in respect of the US Obligations and the Canadian Obligations, as heretofore, now or hereafter amended or modified from time to time.

"Hazardous Materials" means (a) substances that are defined or listed in, or otherwise classified pursuant to, any applicable laws or regulations as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, reproductive toxicity, or "EP toxicity", (b) oil, petroleum, or petroleum derived substances, natural gas, natural gas liquids, synthetic gas, drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil, natural gas, or geothermal resources, (c) any flammable substances or explosives or any radioactive materials, and (d) asbestos in any form or electrical equipment that contains any oil or dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million.

"Hedge Agreement" 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; sometimes being collectively referred to herein as "Hedge Agreements".

"Hedge Obligations" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of Parent or its Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one or more of the Bank Product Providers.

"Hedge Provider" means any Lender or any of its Affiliates; provided, that, no such Person shall constitute a Hedge Provider unless and until Agent shall have received a Bank Product Provider Agreement from such Person, and with respect to the applicable Hedge Agreement, within ten (10) days after the execution and delivery of such Hedge Agreement with Parent or its Subsidiaries.

"Hedge Termination Value" means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements 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 Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include a Lender or any Affiliate of a Lender) or by such other method as the Hedge Provider with respect thereto may use for such purposes.

"Immaterial Subsidiary" means, as at any date, any Subsidiary of Parent set forth on Schedule I-1 of the Agreement (as may be amended from time to time by notice from Parent to Agent), provided, that, any Subsidiary designated as an Immaterial Subsidiary (a) did not, as of the last day of the fiscal quarter of Parent most recently ended, have assets with a value in excess of three percent (3%) of total assets or revenues representing in excess of three percent (3%) of total revenues of Parent and its Subsidiaries, in each case, on a consolidated basis as of such date, (b) taken together with all Immaterial Subsidiaries as of the last day of the fiscal quarter of Parent most recently ended, did not have assets with a value in excess of seven and one-half percent (7.5%) of total assets or revenues representing in excess of seven and one-half percent (7.5%) of total revenues of Parent and its Subsidiaries, in each case, on a consolidated basis as of such date, (c) no assets of any such Subsidiary shall be included in the Borrowing Base, and (d) no such Subsidiary shall conduct either manufacturing or sales activities.

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds (other than surety or similar bonds), debentures, notes, loan agreements or other similar instruments,

(b) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments,

(c) the Hedge Termination Value of any Hedge Agreement,

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) current trade accounts payable in the ordinary course of business in accordance with customary trade practices and (ii) earnouts or similar obligations unless and until such amounts are earned),

(e) indebtedness of others (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse,

(f) all obligations of such Person in respect of Capital Leases and all monetary obligations of such Person under (i) a so-called synthetic, off-balance sheet or tax retention lease, or (ii) 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 the Bankruptcy Code or any other debtor relief laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment) and all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds (including any minority interest transactions that function primarily as a borrowing) but are not otherwise included in the definition of "Indebtedness" or as a liability on the consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP,

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in cash, Cash Equivalents or other "Indebtedness" in respect of any Disqualified Equity Interest in such Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, and

(h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above (but specifically excluding the Series G Guarantee other than for purposes of Section 8.5).

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person.

"Indemnified Liabilities" has the meaning specified therefor in Section 10.3 of the Agreement.

"Indemnified Person" has the meaning specified therefor in Section 10.3 of the Agreement.

"Insolvency Proceeding" means any proceeding commenced by or against any Person under any provision of the Bankruptcy Code, the CCAA or the BIA or under any other provincial, state or federal bankruptcy or insolvency law, assignments for the benefit of creditors, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief.

"Intercompany Subordination Agreement" means an intercompany subordination agreement, dated as of the Existing Closing Date, executed and delivered by certain Loan Parties, certain of their Subsidiaries and Agent, as heretofore, now or hereafter amended or modified from time to time.

"Interest Period" means, (a) with respect to each LIBOR Rate Loan, a period commencing on the date of the making of such LIBOR Rate Loan (or the continuation of a LIBOR Rate Loan or the conversion of a Base Rate Loan to a LIBOR Rate Loan) and ending one (1), two (2), or three (3) months thereafter and (b) with respect to each BA Rate Loan, a period commencing on the date of making of such BA Rate Loan (or the continuation of a BA Rate Loan or the conversion of a Base Rate Loan in Canadian Dollars to a BA Rate Loan and ending one (1), two (2), or three (3) months thereafter; provided, that, in each case, (a) interest shall accrue at the applicable rate based upon the LIBOR Rate or BA Rate, as applicable from and including the first day of each Interest Period to, but excluding, the day on which any Interest Period expires, (b) any Interest Period that would end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day, (c) with respect to an Interest Period 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), the Interest Period shall end on the last Business Day of the calendar month that is one (1), two (2), or three (3) months after the date on which the Interest Period began, as applicable, and (d) Borrowers may not elect an Interest Period which will end after the Maturity Date.

"Inventory" means inventory (as such term is defined in the Code).

"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, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit (including a division) or all or substantially all of the business of, such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

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

"Issuing Lender" means (a) any issuer of Existing Letters of Credit, but only as to such Existing Letters of Credit and not as to any other Letters of Credit, and, if the Spartech Acquisition is consummated, as issuer of certain letters of credit under Spartech's existing credit facilities, and (b) WFCF, Bank of America, N.A., PNC Bank, National Association or any other Lender that, at the request of Administrative Borrower and with the consent of Agent, agrees, in such Lender's sole discretion, to become an Issuing Lender for the purpose of issuing Letters of Credit or Reimbursement Undertakings pursuant to Section 2.9 of the Agreement and the Issuing Lender shall be a Lender.

"Judgment Currency" has the meaning specified in Section 17.15 of the Agreement.

"Juffali Investment" means an initial Investment in the amount of approximately $2,500,000 made by Parent and/or its Subsidiaries in the existing joint venture with E.A. Juffali & Brothers Company Limited, together with any additional Investments made by Parent and/or its Subsidiaries in such joint venture in an amount not to exceed $20,000,000 in the aggregate.

"Laws" means, collectively, all international, foreign, federal, state, provincial and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lender" has the meaning set forth in the preamble to the Agreement, shall include the Issuing Lender and Swing Lender, and shall also include any other Person made a party to the Agreement pursuant to the provisions of Section 13.1 of the Agreement and "Lenders" means each of the Lenders or any one or more of them.

"Lender Group" means each of the Lenders (including the Issuing Lender and Swing Lender) and Agent, or any one or more of them.

"Lender Group Expenses" means all (a) costs or expenses (including taxes, and insurance premiums) that were due and owing by Parent or its Subsidiaries and were, in accordance with the provisions of the Loan Documents, paid, advanced, or incurred by the Lender Group, (b) reasonable out-of-pocket fees or charges paid or incurred by Agent in connection with the Lender Group's transactions with Parent or its Subsidiaries under any of the Loan Documents, including, fees or charges for photocopying, notarization, couriers and messengers, telecommunication, public record searches (including tax lien, litigation, and PPSA and Uniform Commercial Code searches and including searches with the patent and trademark office, the copyright office, or the department of motor vehicles, or similar searches with respect to Canadian Loan Parties), filing, recording, publication, appraisal (including periodic collateral appraisals to the extent of the fees and charges (and up to the amount of any limitation) contained in the Agreement or the Fee Letter), real estate surveys, real estate title policies and endorsements, and environmental audits, (c) Agent's customary fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of any Borrower (whether by wire transfer or otherwise), together with any out-of-

pocket costs and expenses incurred in connection therewith, (d) out-of-pocket charges paid or incurred by Agent resulting from the dishonor of checks payable by or to any Loan Party, (e) all reasonable and documented out-of-pocket expenses and costs heretofore and from time to time hereafter incurred by Agent during the course of periodic field examinations of the Collateral and Borrowers' operations, plus a per diem charge at Agent's then standard rate for Agent's examiners in the field and office (which rate as of the date hereof is $1,000 per person per day), and a per diem charge at Agent's then standard rate for the establishment of electronic collateral reporting systems, subject to the limitations set forth in Section 5.7 of the Agreement, (f) reasonable out-of-pocket costs and expenses of third party claims or any other suit paid or incurred by the Lender Group in enforcing or defending the Loan Documents or in connection with the transactions contemplated by the Loan Documents, (g) Agent's and each Arranger's reasonable and documented out-of-pocket costs and expenses (including reasonable attorneys' fees of not more than one primary counsel in the United States, one primary counsel in Canada and one local counsel in each relevant jurisdiction) incurred in advising, structuring, drafting, reviewing, administering (including travel, meals, and lodging), syndicating, or amending the Loan Documents, (h) subject to the limitations set forth below in this clause (h), Agent's and each Lender's reasonable out-of-pocket costs and expenses (including reasonable accountants, consultants, and other advisors fees and expenses and reasonable attorneys' fees for not more than one primary counsel in the United States, one primary counsel in Canada and one local counsel in each relevant jurisdiction and up to one additional counsel in the United States and one additional counsel in Canada for all other Lenders taken together) incurred in connection with a "workout," a "restructuring," or an Insolvency Proceeding concerning Parent or any of its Subsidiaries or in exercising rights or remedies under the Loan Documents, or defending the Loan Documents, irrespective of whether suit is brought, or in taking any Remedial Action concerning the Collateral permitted by the Agreement, and including, during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the Collateral, or any portion thereof, irrespective of whether a sale is consummated, and (i) usage charges, charges, fees, costs and expenses for amendments, renewals, extensions, transfers, or drawings from time to time imposed by the Underlying Issuer or incurred by the Issuing Lender in respect of Letters of Credit and out-of-pocket charges, fees, costs and expenses paid or incurred by the Underlying Issuer or Issuing Lender in connection with the issuance, amendment, renewal, extension, or transfer of, or drawing under, any Letter of Credit or any demand for payment thereunder.

"Lender Group Representatives" has the meaning specified therefor in Section 17.9 of the Agreement.

"Lender-Related Person" means, with respect to any Lender, such Lender, together with such Lender's Affiliates, officers, directors, employees, attorneys, and agents.

"Letter of Credit" means a letter of credit issued by Issuing Lender or a letter of credit issued by Underlying Issuer, as the context requires.

"Letter of Credit Collateralization" means either (a) providing cash collateral (pursuant to documentation reasonably satisfactory to Agent, including provisions that specify that the Letter of Credit fee and all usage charges set forth in the Agreement will continue to accrue while the Letters of Credit are outstanding) to be held by Agent in an amount equal to one hundred three

percent (103%) of the then existing Letter of Credit Usage, (b) causing the Letters of Credit to be returned to the Issuing Lender, or (c) providing Agent with a standby letter of credit, in form and substance reasonably satisfactory to Agent, from a commercial bank acceptable to Agent (in its sole discretion) in an amount equal to one hundred three percent (103%) of the then existing Letter of Credit Usage; it being understood that the Letter of Credit fee and all usage charges set forth in the Agreement will continue to accrue while the Letters of Credit are outstanding and that any such fees that accrue must be an amount that can be drawn under any such standby letter of credit.

"Letter of Credit Disbursement" means a US Letter of Credit Disbursement or a Canadian Letter of Credit, Disbursement, as applicable.

"Letter of Credit Usage" means US Letter of Credit Usage or Canadian Letter of Credit Usage, as applicable.

"LIBOR Deadline" has the meaning specified therefor in Section 2.10(b)(i) of the Agreement.

"LIBOR Notice" means a written notice in the form of Exhibit L-1.

"LIBOR Option" has the meaning specified therefor in Section 2.10(a) of the Agreement.

"LIBOR Rate" means the rate per annum rate appearing on Bloomberg L.P.'s (the "Service") Page BBAM1/(Official BBA USD Dollar Libor Fixings) (or on any successor or substitute page of such Service, or any successor to or substitute for such Service) two (2) Business Days prior to the commencement of the requested Interest Period, for a term and in an amount comparable to the Interest Period and the amount of the LIBOR Rate Loan requested (whether as an initial LIBOR Rate Loan or as a continuation of a LIBOR Rate Loan or as a conversion of a Base Rate Loan to a LIBOR Rate Loan) by Borrowers in accordance with the Agreement, which determination shall be conclusive in the absence of manifest error.

"LIBOR Rate Loan" means each portion of a Revolving Loan that bears interest at a rate determined by reference to the LIBOR Rate.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, hypothec or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Loan Account" means the US Loan Account or the Canadian Loan Account, as the case may be.

"Loan Documents" means the Agreement, any US Borrowing Base Certificate, any Canadian Borrowing Base Certificate, the Controlled Account Agreements, the Control Agreements, any Copyright Security Agreement, the Fee Letter, the Guaranty, any Intercompany Subordination Agreement, the Letters of Credit, any Mortgages, any Additional Documents, any

Additional Second Lien Documents, any Patent Security Agreement, the Security Agreement, any Trademark Security Agreement, any perfection certificate, any note or notes executed by any Borrower in connection with the Agreement and payable to any member of the Lender Group, any Canadian Security Document, any letter of credit application entered into by any Borrower in connection with the Agreement, and any other agreement entered into, now or in the future, by Parent or any of its Subsidiaries in connection with the Agreement.

"Loan Party" means any Borrower or any Guarantor.

"Loans" means Revolving Loans, Swing Loans, Overadvances and Protective Advances.

"Margin Stock" as defined in Regulation U of the Board of Governors of the Federal Reserve System as in effect from time to time.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) of Parent and its Subsidiaries taken as a whole, or as it relates to representations and warranties specifically relating to the First Lien Collateral, of Loan Parties taken as a whole, (b) a material impairment of the rights and remedies of Agent or any Lender under the Loan Documents taken as a whole, or of the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party, or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party.

"Material Real Property" means fee owned Real Property with a fair market value in excess of $5,000,000.

"Maturity Date" has the meaning specified therefor in Section 3.3 of the Agreement.

"Maximum Credit" means the sum of the US Maximum Credit and the Canadian Maximum Credit, provided, that, in no event shall the Maximum Credit exceed $400,000,000, as such amount may be decreased by the amount of decreases in the US Commitments in accordance with Section 2.3(c) of the Agreement or as such amount may be increased by the amount of increases in the US Commitments in accordance with Section 2.12 of the Agreement.

"Moody's" has the meaning specified therefor in the definition of Cash Equivalents.

"Mortgaged Property" means any Real Property that is owned by any Loan Party that constitutes Second Lien Collateral.

"Mortgages" means, individually and collectively, one or more mortgages, deeds of trust, or deeds to secure debt, executed and delivered by Parent or its Subsidiaries in favor of Agent, in form and substance reasonably satisfactory to Agent, that at any time encumber any Mortgaged Property.

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

"Multiple Employer Plan" means a plan within the meaning of Section 210(a) of ERISA or Section 413(c) of the IRC to which Parent or any ERISA Affiliate is obligated to make contributions.

"Net Cash Proceeds" means the aggregate cash or Cash Equivalents received by any Loan Party or any Restricted Subsidiary in respect of any sale or other disposition (including any involuntary loss, damage or destruction or involuntary condemnation, seizure or taking or confiscation or requisition) or issuance or incurrence of Indebtedness or issuance of any Equity Interests (including any cash received by way of deferred payment pursuant to a promissory note, receivable or otherwise, but only as and when received in cash), net of (a) reasonable and customary fees and expenses associated in connection therewith (including, without limitation, legal, accounting and investment banking fees, sales commissions and placement fees), (b) taxes paid or payable to any taxing authorities by Parent or such Subsidiary in connection with such sale or other disposition, in each case to the extent, but only to the extent, that the amounts so deducted are, at the time of receipt of such cash, actually paid or payable to a Person that is not an Affiliate of Parent or any of its Subsidiaries, and are properly attributable to such transaction, (c) in the case of any such sale or other disposition, the amount of any Indebtedness secured by any Permitted Lien on any asset (other than Indebtedness owing to Agent or any Lender under the Agreement or the other Loan Documents and Indebtedness assumed by the purchaser of such asset) which is required to be, and is, repaid in connection with such sale or disposition (including, without limitation, prepayment premiums and/or penalties thereon), (d) in the case of any sale or other disposition, any portion of such proceeds deposited in an escrow account or subject to a similar arrangement in any event in accordance with the terms of such sale or other disposition (provided that such amounts shall be treated as Net Cash Proceeds upon the receipt of cash from such escrow account by such Loan Party or such Subsidiary) and (e) in the case of any sale or other disposition, any portion of any such proceeds which Parent determines in good faith should be reserved for post-closing adjustments and indemnities; it being understood that "Net Cash Proceeds" shall include, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received by any Loan Party or any Subsidiary in any such sale or other disposition, or issuance or incurrence of Indebtedness of issuance of any Equity Interests.

"Net Recovery Percentage" means the fraction, expressed as a percentage (a) the numerator of which is the amount equal to the recovery on the aggregate amount of the applicable category of Eligible Inventory at such time on a "net orderly liquidation value" basis as set forth in the most recent acceptable Inventory appraisal received by Agent in accordance with the requirements of the Agreement, net of operating expenses, liquidation expenses and commissions reasonably anticipated in the disposition of such assets and (b) the denominator of which is the original cost of the aggregate amount of the Eligible Inventory subject to such appraisal.

"Non-Consenting Lender" has the meaning specified therefor in Section 14.2(a) of the Agreement.

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

"Non-Loan Party" means a Subsidiary of Parent that is not a Loan Party.

"NPL" means the National Priorities List under CERCLA.

"Obligations" means (a) all loans (including the Revolving Loans (inclusive of Protective Advances and Swing Loans)), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), reimbursement or indemnification obligations with respect to Reimbursement Undertakings or with respect to Letters of Credit (irrespective of whether contingent), premiums, liabilities (including all amounts charged to the Loan Account pursuant to the Agreement), obligations (including indemnification obligations), fees (including the fees provided for in the Fee Letter), Lender Group Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, covenants, and duties of any kind and description owing by any Loan Party pursuant to or evidenced by the Agreement or any of the other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that any Borrower is required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents, (b) all debts, liabilities, or obligations (including reimbursement obligations, irrespective of whether contingent) owing by any Borrower or any other Loan Party to an Underlying Issuer now or hereafter arising from or in respect of Underlying Letters of Credit, and (c) all Bank Product Obligations. Any reference in the Agreement or in the Loan Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Originating Lender" has the meaning specified therefor in Section 13.1(e) of the Agreement.

"Overadvance" has the meaning specified therefor in Section 2.3(e)(i) of the Agreement.

"Parent" has the meaning specified therefor in the preamble to the Agreement.

"Participant" has the meaning specified therefor in Section 13.1(e) of the Agreement.

"Patent Security Agreement" has the meaning specified therefor in the Security Agreement.

"Patriot Act" has the meaning specified therefor in Section 4.18 of the Agreement.

"Payoff Date" means the first date on which all of the Obligations are paid in full and the Commitments of the Lenders are terminated.

"PBGC" means the Pension Benefit Guaranty Corporation.

"Pension Act" means the Pension Protection Act of 2006.

"Pension Funding Rules" means the rules of the IRC and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430 and 436 of the IRC and Sections 302 and 303 of ERISA.

"Pension Plan" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA) (excluding a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by Parent and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the Pension Funding Rules.

"Permitted Acquisition" means (i) the Glasforms Acquisition and (ii) any Acquisition other than the Spartech Acquisition and the Glasforms Acquisition, so long as, in the case of clause (ii):

(a) as of the date of any such Acquisition and after giving effect thereto, no Event of Default shall exist or have occurred and be continuing,

(b) (i) the Excess Availability at any time during the immediately preceding sixty (60) consecutive day period shall have been not less than twenty percent (20%) of the Maximum Credit and (ii) the US Excess Availability at any time during the immediately preceding sixty (60) consecutive day period shall have been not less than fifteen percent (15%) of the Maximum Credit, and after giving effect to the Acquisition and the making of any payment in respect thereof, on a pro forma basis using the most recent calculation of the Borrowing Base immediately prior to any such payment, the Excess Availability and the US Excess Availability shall be not less than the applicable amount specified above,

(c) the Acquisition shall be with respect to an operating company or division or line of business that engages in a line of business substantially similar, reasonably related or incidental to, or a reasonable extension of, the business that Parent and its Subsidiaries are engaged in,

(d) in the case of any Acquisition of Equity Interests, the Board of Directors (or other comparable governing body) of the Person to be acquired shall have duly approved such Acquisition and such person shall not have announced that it will oppose such Acquisition or shall not have commenced any action which alleges that such Acquisition will violate applicable Law,

(e) in the case of any Acquisition (excluding the Spartech Acquisition) that involves consideration in the aggregate in excess of $35,000,000 or on and after the aggregate amount of the consideration for all Acquisitions (excluding the Spartech Acquisition) after the Effective

Date is in excess of $75,000,000, as to any Acquisition thereafter that involves consideration in the aggregate in excess of $5,000,000, Agent shall have received not less than ten (10) Business Days prior to the anticipated closing date of the proposed Acquisition prior written notice of the proposed Acquisition, and including the (i) parties to such Acquisition, (ii) the proposed date and amount of the Acquisition, (iii) description of the assets or shares to be acquired and (iv) the total purchase price for the assets to be purchased and the terms of payment of such purchase price), together with copies of the acquisition agreement and other material documents relative to the proposed Acquisition,

(f) in the case of any Acquisition (excluding the Spartech Acquisition) that involves consideration in the aggregate in excess of $35,000,000 or on and after the aggregate amount of the consideration for all Acquisitions (excluding the Spartech Acquisition) after the Effective Date is in excess of $75,000,000, as to any Acquisition thereafter that involves consideration in the aggregate in excess of $5,000,000, Agent shall have received reasonably satisfactory projections for the period that is the lesser of six (6) months or until the end of the then current fiscal year after the date of such Acquisition showing, on a pro forma basis after giving effect to the Acquisition, (i) minimum Excess Availability at all times during such period of not less than twenty percent (20%) of the Maximum Credit and (ii) minimum US Excess Availability at all times during such period of not less than fifteen percent (15%) of the Maximum Credit,

(g) any such newly-created or acquired Subsidiary shall comply with the requirements of Section 5.11 to the extent applicable,

(h) in the case of any Acquisition (excluding the Spartech Acquisition) that involves consideration in the aggregate in excess of $35,000,000 or on and after the aggregate amount of the consideration for all Acquisitions (excluding the Spartech Acquisition) after the Effective Date is in excess of $75,000,000, as to any Acquisition thereafter that involves consideration in the aggregate in excess of $5,000,000, Parent shall have delivered to Agent, at least five (5) Business Days prior to the date on which any such Acquisition is to be consummated, a certificate of an Authorized Person, in form and substance reasonably satisfactory to Agent and the Required Lenders, certifying that all of the requirements set forth in this definition of Permitted Acquisition have been satisfied or will be satisfied on or prior to the consummation of such purchase or other Acquisition, and

(i) except for Eligible Acquired Business Accounts and Eligible Acquired Business Inventory, if Parent requests that any assets acquired pursuant to such Acquisition be included in the Borrowing Base, Agent shall have completed an Acceptable Field Exam with respect to such Acquired Business and any Accounts or Inventory of the Acquired Business shall only be Eligible Accounts or Eligible Inventory to the extent that Agent has so completed such Acceptable Field Exam with respect thereto and as to Inventory has received a satisfactory appraisal (and has completed customary legal due diligence with respect thereto with results satisfactory to Agent) and the criteria for Eligible Accounts and Eligible Inventory set forth herein are satisfied with respect thereto in accordance with this Agreement (or such other or additional criteria as Agent may, at its option, establish with respect thereto in accordance with the definitions of Eligible Accounts or Eligible Inventory, as applicable, and subject to such reserves as Agent may establish in connection with the Acquired Business in accordance with Sections 2.1(e) and 2.1(f) of this Agreement).

"Permitted Discretion" means a determination made in good faith in the exercise of its reasonable business judgment based on how an asset-based lender with similar rights providing a credit facility of the type set forth herein would act in similar circumstances at the time with the information then available to it.

"Permitted Dispositions" means:

(a) sales or other dispositions of obsolete or worn out property or assets that are no longer necessary or required for the operation of the business (including insignificant or immaterial parcels of Real Property), whether now owned or hereafter acquired, in the ordinary course of business,

(b) sales of Inventory in the ordinary course of business,

(c) the use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of the Agreement or the other Loan Documents,

(d) sales or other dispositions of assets (other than First Lien Collateral) 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,

(e) the sale or other disposition of property by Parent or any Subsidiary of Parent to any Loan Party or other Subsidiary, provided, that, (i) if the transferor of such property is a Borrower, then the transferee thereof must be another Loan Party, (ii) if the transferor of such property is a Guarantor, then the transferee must be either a Borrower or Guarantor, (iii) to the extent such transaction constitutes an Investment, such transaction is a Permitted Investment and (iv) to the extent of any Lien of Agent with respect to such property prior to its sale or other disposition, the Lien of Agent on such property shall continue in all respects and shall not be deemed released or terminated as a result of such sale or other disposition and Borrowers and Guarantors shall execute and deliver such agreements, documents and instruments as Agent may request with respect thereto,

(f) the sales or other disposition of property by Parent or any Loan Party to any Subsidiary of Parent that is a Non-Loan Party so long as (i) such sale or other disposition is consummated on fair and reasonable terms (taken as a whole) no less favorable to Parent or such Loan Party than Parent or such Loan Party would obtain in a comparable arm's length transaction with a Person that is not an Affiliate, (ii) no Event of Default is in existence at the time of such sale or other disposition or would be caused thereby and (iii) the consideration for such sale or other disposition consists of cash in at least the amount of the loanable value hereunder (pursuant to the applicable Borrowing Base), if any, of the property being so sold or transferred,

(g) the sale of Accounts in connection with the collection or compromise thereof in the ordinary course of business consistent with the practices of Parent and its Subsidiaries as of the date hereof,

(h) the grant by Parent and its Subsidiaries after the date hereof of a non-exclusive license of any intellectual property owned by Parent and its Subsidiaries in the ordinary course of business consistent with past practice,

(i) the granting of Permitted Liens,

(j) any involuntary loss, damage or destruction of property, or any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property,

(k) the leasing, subleasing or non-exclusive licensing or sublicensing of tangible assets (which shall not include Inventory) or intangible assets (or an assignment of a lease or license or sublease of assets of any Loan Party in the ordinary course of business that do not materially interfere with the business of Parent and its Restricted Subsidiaries, taken as a whole,

(l) the abandonment or other disposition of intellectual property in the ordinary course of business consistent with past practices that is not material and is no longer used or useful in the business of Parent or its Subsidiaries,

(m) the making of a Restricted Payment or a Permitted Investment that in each case is expressly permitted to be made pursuant to the Agreement,

(n) sales or other dispositions of the Real Property listed on Schedule P-1 or any Specified Real Property,

(o) sales by Parent or any of its Restricted Subsidiaries of property (other than First Lien Collateral) pursuant to any arrangement, directly or indirectly, with any Person whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred (a "Sale and Lease-Back Transaction"); provided, that, (i) the lease contemplated by such Sale and Lease-Back Transaction is executed within two hundred seventy (270) days of the sale of such property, and (ii) to the extent Net Cash Proceeds in excess of $10,000,000 for any one disposition and in excess of $50,000,000 for all dispositions in any fiscal year are received, the Net Cash Proceeds resulting from such disposition pursuant to this clause shall be applied to the Obligations to the extent required under Section 2.3(e) hereof, if not otherwise applied to repay any Indebtedness which is required to be repaid with such Net Cash Proceeds under the terms of such Indebtedness,

(p) any surrender or waiver of contractual rights or the settlement, release or surrender of contractual rights or other litigation claims in the ordinary course of business (other than any such contractual rights or claims related to Accounts, payment intangibles or Inventory constituting First Lien Collateral),

(q) the termination of any Hedge Agreement,

(r) any other sale or other disposition of property by Parent or any Restricted Subsidiary for consideration in any one case not to exceed $1,000,000, or in the case of any sale or other disposition of First Lien Collateral, in the aggregate as to all such sales or other dispositions, not to exceed $2,500,000,

(s) sales of interests in or assets of Unrestricted Subsidiaries or Immaterial Subsidiaries,

(t) sales or other transfers by a Loan Party of any Equity Interests held in a first tier Subsidiary that is organized under the laws of a jurisdiction other than the United States, to a Restricted Subsidiary (including any Excluded Subsidiary), provided, that, one hundred percent (100%) (or sixty-five percent (65%) in the case of any first tier Foreign Subsidiary) of the Equity Interests of the Restricted Subsidiary to whom such Equity Interests are sold or otherwise transferred are subject to the Lien of Agent pursuant to the Loan Documents,

(u) sales or other dispositions of assets of Loan Parties not otherwise subject to the provisions set forth in this definition, provided, that, as to any such sale or other disposition, each of the following conditions is satisfied:

(i) not less than seventy-five percent (75%) of the consideration to be received by the Loan Parties shall be paid or payable in cash and shall be paid contemporaneously with consummation of the transaction,

(ii) the consideration received by such Loan Party in respect of the sale or other disposition of such assets shall be for the fair value of such assets determined in a commercially reasonable manner based on an arm's length transaction,

(iii) in the case of any sale or other disposition of First Lien Collateral, as of the date of such sale or other disposition and after giving effect thereto, using the most recent calculation of the Borrowing Base prior to the date of any such payment, on a pro forma basis, Excess Availability shall be not less than twenty percent (20%) of the Maximum Credit and US Excess Availability shall be not less than fifteen percent (15%) of the Maximum Credit,

(iv) at any time a Cash Dominion Event exists, in the case of any sale or other disposition of First Lien Collateral, the Net Cash Proceeds from any such sale or other disposition shall be applied to the Obligations (without permanent reduction thereof), and in the case of any sale or other disposition of any property other than First Lien Collateral, the Net Cash Proceeds in excess of $10,000,000 in any one sale or other disposition or in excess of $50,000,000 for all such sales or other dispositions in any fiscal year, shall be applied to the Obligations,

(v) to the extent that the property being sold or otherwise disposed of consists of Collateral included in the Borrowing Base, the aggregate consideration for all property sold or otherwise disposed of in reliance on this clause (u) shall not exceed $75,000,000,

(vi) after the aggregate consideration for all property being sold or otherwise disposed of under this clause (u), other than First Lien Collateral, exceeds $75,000,000, Agent shall have received written notice of each such sale or other disposition at least 3 days prior thereto, and

(vii) as of the date of any such sale or other disposition, and in each case after giving effect thereto, no Event of Default shall exist or have occurred and be continuing,

(v) sales or other dispositions of Accounts owing from Valspar Sourcing, Inc. or any other Account Debtor that is reasonably acceptable to Agent pursuant to supply chain finance arrangements that are acceptable to Agent; provided, that, the total obligations owing in respect of all such Accounts shall not exceed $15,000,000 in the aggregate during any fiscal year,

(w) dispositions permitted by Section 6.3, and

(x) sales or transfers by a Loan Party of any Equity Interests held in another Loan Party, provided, that (i) such sale or other transfer shall be to another Loan Party and (ii) to the extent of any Lien of Agent with respect to such Equity Interests prior to its sale or other disposition, the Lien of Agent on such Equity Interests shall continue in all respects and shall not be deemed released or terminated as a result of such sale or other disposition and Borrowers and Guarantors shall execute and deliver such agreements, documents and instruments as Agent may reasonably request with respect thereto.

"Permitted Indebtedness" means:

(a) Indebtedness under the Loan Documents, and including Indebtedness owed to Underlying Issuers with respect to Underlying Letters of Credit,

(b) [**Reserved**],

(c) Indebtedness outstanding on the date hereof and listed on Schedule P-2 and any Refinancing Indebtedness with respect thereto,

(d) guarantees (i) by a Loan Party of other Permitted Indebtedness of another Loan Party, (ii) by a Non-Loan Party of Permitted Indebtedness of another Non-Loan Party, (iii) by a Non-Loan Party of Permitted Indebtedness of a Loan Party unless such Non-Loan Party shall have also provided a guarantee of the Obligations substantially on the terms set forth in the applicable Guaranty, and (iv) by a Loan Party of Permitted Indebtedness of a Non-Loan Party, provided, that, (A) as of the date of the execution and delivery of any such guarantee under this clause (iv), and after giving effect thereto, such Loan Party would be permitted to make a Permitted Investment in such Non-Loan Party under clause (d)(ii)(D) of the definition of Permitted Investments, such that all of the conditions set forth in clause (d)(ii)(D) of the definition of Permitted Investments shall be satisfied as to any such guarantee treating the guarantee as a Permitted Investment for this purpose, including that (1) the maximum amount of the liability of the Loan Parties under all of such guarantees, plus (2) the amount of the Permitted Investments by Loan Parties under such clause (d)(ii)(D), shall not in the aggregate exceed $100,000,000 at any time outstanding, and (B) if the Indebtedness being guaranteed is subordinated to the Obligations, such guarantee shall be subordinated to the guarantee of the Obligations on terms at least as favorable to Agent and the Lenders as those contained in the subordination provisions of such Indebtedness,

(e) Permitted Purchase Money Indebtedness and any Refinancing Indebtedness in respect of such Indebtedness,

(f) contingent liabilities in respect of any indemnification obligation, adjustment of purchase price, or similar obligation of the applicable Loan Party incurred in connection with the consummation of the Spartech Acquisition, one or more Permitted Acquisitions or Permitted Investments or one or more Permitted Dispositions,

(g) other Indebtedness of Restricted Subsidiaries that are Non-Loan Parties in an aggregate principal amount for all such Persons not to exceed $100,000,000 at any time outstanding,

(h) Acquired Indebtedness (i) incurred in connection with a Permitted Acquisition or the Spartech Acquisition in an amount not to exceed $100,000,000 outstanding at any one time and any Refinancing Indebtedness in respect of such Indebtedness and (ii) incurred in connection with the Spartech Acquisition in an amount not to exceed $12,500,000 outstanding at any one time and any Refinancing Indebtedness in respect of such Indebtedness,

(i) Indebtedness incurred in the ordinary course of business under customs, stay, performance, surety, statutory, and appeal bonds, and completion guarantees (or obligations in respect of letters of credit related thereto),

(j) Indebtedness consisting of insurance premium financing in the ordinary course of business,

(k) the incurrence by any Loan Party or its Subsidiaries of Indebtedness under Hedge Agreements that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with any Loan Party's and its Subsidiaries' operations and not for speculative purposes,

(l) Indebtedness consisting of deferred compensation to employees of Parent or any Restricted Subsidiary in the ordinary course of business and consistent with the current practices of Parent and such Subsidiary,

(m) Indebtedness (including obligations in respect of letters of credit or bank guarantees or similar instruments) incurred by Parent or any Restricted Subsidiary constituting reimbursement obligations in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance; provided, that, upon the drawing of such letters of credit or the incurrence of such Indebtedness with respect to reimbursement obligations regarding workers' compensation claims, such obligations are reimbursed within thirty (30) days following such drawing or incurrence,

(n) Indebtedness and other obligations in respect of netting services, overdraft protections and similar arrangements in each case in connection with cash management or treasury services arrangements and Deposit Accounts,

(o) Indebtedness evidenced by the 2015 Notes in an aggregate outstanding principal amount not to exceed $50,000,000 and any Refinancing Indebtedness with respect thereto,

(p) Indebtedness evidenced by the 2020 Notes in an aggregate outstanding principal amount not to exceed $360,000,000 and any Refinancing Indebtedness with respect thereto,

(q) Indebtedness arising under the Series G Guarantee in an aggregate outstanding principal amount not to exceed $30,468,750,

(r) unsecured Indebtedness of any Loan Party owing to former employees, officers, or directors (or any spouses, ex-spouses, or estates of any of the foregoing) incurred in connection with the repurchase by such Loan Party of the Equity Interests of such Loan Party that has been issued to such Persons, provided, that, the aggregate amount of all such Indebtedness outstanding at any one time does not exceed $2,000,000,

(s) guarantees by PolyOne International Finance Company in respect of Indebtedness otherwise permitted under this Agreement of any Subsidiary that is not a Loan Party,

(t) (i) unsecured Indebtedness (including Subordinated Debt) of Parent or any other Loan Party; provided, that, as to any such Indebtedness, (A) such Indebtedness shall have a maturity date that is at least ninety-one (91) days after the Maturity Date, and shall not include covenants, defaults and remedy provisions that are more restrictive in any material respect to Parent and its Subsidiaries than this Agreement taken as a whole and shall not have any financial maintenance covenants, (B) the Fixed Charge Coverage Ratio (calculated based on the preceding twelve (12) consecutive month period ending on the fiscal month end for which Agent has received financial statements immediately prior to the date of the incurrence of such Indebtedness), on a pro forma basis, immediately after giving effect to such Indebtedness shall be not less than 1.00 to 1.00, (C) as of the date of the incurring of any such Indebtedness and after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing, (D) in the case of any such Indebtedness in an aggregate principal amount in excess of $50,000,000, such Indebtedness shall not have scheduled amortization payments in excess of one percent (1%) of the principal amount thereof in any fiscal year, and (E) if such Indebtedness is owed to a seller of assets to Parent or any other Loan Party, it is expressly subordinate in right of payment to the prior payment in full in cash of the Obligations and otherwise subject to related subordination provisions on terms reasonably acceptable to Agent, and (ii) any Refinancing Indebtedness in respect of the Indebtedness permitted under clause (i) above,

(u) Indebtedness evidenced by the Current Notes in an aggregate outstanding principal amount not to exceed $600,000,000 and any Refinancing Indebtedness with respect thereto, and

(v) Indebtedness permitted by clause (d) of the definition of Permitted Investments.

"Permitted Investments" means:

(a) (i) Investments in cash and Cash Equivalents of any Non-Loan Party and (ii) Investments in cash and Cash Equivalents of any Loan Party, so long as (solely in the case of this clause (ii)) if a Cash Dominion Event exists, no Revolving Loans (including Swing Loans,

Overadvances and Protective Advances) are then outstanding; except that notwithstanding that any Revolving Loans (including Swing Loans, Overadvances and Protective Advances) are outstanding, Loan Parties may from time to time in the ordinary course of business consistent with their current practices as of the date hereof, (A) make deposits of cash or other immediately available funds in operating demand Deposit Accounts used for disbursements to the extent required to provide funds for amounts drawn or anticipated to be drawn shortly on such Deposit Accounts and such funds may be held in Cash Equivalents consisting of overnight investments until so drawn (so long as such funds and Cash Equivalents are not held more than three (3) Business Days from the date of the initial deposit thereof), and (B) make other Investments in cash or Cash Equivalents in an aggregate amount not to exceed $10,000,000 at any time,

(b) advances to officers, directors and employees of the Borrower and Subsidiaries in an aggregate amount not to exceed $10,000,000 at any time outstanding, for travel, entertainment, relocation packages and analogous ordinary business purposes,

(c) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business,

(d) (i) Investments by Parent and its Subsidiaries in their respective Subsidiaries outstanding on the date hereof, and (ii) additional Investments by (A) a Loan Party in another Loan Party, (B) a Non-Loan Party in another Non-Loan Party, (C) a Non-Loan Party in a Loan Party, provided, that, in the case of any such Investments constituting Indebtedness, such Indebtedness shall be subordinated and otherwise subject to the terms and conditions of the Intercompany Subordination Agreement, and (D) additional Investments by a Loan Party in a Non-Loan Party, provided, that, as to any such Investment under this clause (D), each of the following conditions is satisfied (1) as of the date of such Investment and after giving effect thereto, no Event of Default shall exist or have occurred and be continuing, (2) the aggregate amount of all such Investments after the date hereof, plus the maximum amount of the liability of the Loan Parties under all guarantees by Loan Parties of Indebtedness of Non-Loan Parties as provided in clause (d) (iv) of the definition of Permitted Indebtedness, shall not, in the aggregate, exceed $100,000,000 outstanding at any one time, (3) at any time the aggregate amount of all of such Investments is greater than $20,000,000 and after giving effect thereto, using the most recent calculation of the Borrowing Base prior to the date of any such Investment, on a pro forma basis, Excess Availability shall be not less than twenty percent (20%) of the Maximum Credit and US Excess Availability shall be not less than ten percent (10%) of the Maximum Credit and (4) Agent shall have received reasonably satisfactory projections for the period that is the lesser of six (6) months or until the end of the then current fiscal year after the date of such Investment showing, on a pro forma basis after giving effect to the Investment, (x) minimum Excess Availability at all times during such period of not less than twenty percent (20%) of the Maximum Credit and (y) minimum US Excess Availability at all times during such period of not less than ten percent (10%) of the Maximum Credit, provided, that, this clause (4) shall not be applicable so long as the aggregate amount of all such Permitted Investments are less than $20,000,000, and at the time of making any such Permitted Investment, the sum of the Excess Availability plus Qualified Cash is greater than $150,000,000,

(e) Investments consisting of extensions of credit in the nature of Accounts or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss,

(f) guarantees permitted under the definition of Permitted Indebtedness,

(g) Investments existing on the date hereof (other than those referred to clause (d)(i) of this definition above) and set forth on Schedule P-3,

(h) Investments (including debt obligations and Equity Interests) received by Parent or any of its Restricted Subsidiaries in connection with (i) the bankruptcy or reorganization of any Person obligated to Parent or such Restricted Subsidiary, (ii) in settlement of obligations of any Person to Parent or such Subsidiary, or disputes by Parent or such Subsidiary with, any Person, in either case arising in the ordinary course of business, provided, that, there shall be no such settlements with respect to Accounts or other First Lien Collateral at any time an Event of Default exists or has occurred or is continuing, except as Agent may otherwise agree, (iii) the foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment and (iv) the non-cash proceeds of any sale or other disposition to the extent permitted as a Permitted Disposition,

(i) advances of payroll payments to employees in the ordinary course of business consistent with current practices,

(j) guarantees by Parent or any Restricted Subsidiary of leases (other than any Capital Lease) or of other obligations of such Restricted Subsidiary that do not constitute Indebtedness, in each case entered into in the ordinary course of business, provided, that, as of the date of the execution and delivery of any such guarantee under this clause (j), and after giving effect thereto, (i) such Loan Party would be permitted to make a Permitted Investment in such Non-Loan Party under clause (d)(ii)(D) of the definition of Permitted Investments, such that all of the conditions set forth in clause (d)(ii)(D) of the definition of Permitted Investments shall be satisfied as to any such guarantee treating the guarantee as a Permitted Investment for this purpose except for the conditions in clauses (2) and (4) of such clause (d)(ii)(D), and (ii) the sum of (A) the maximum amount of the liability of Parent and such Restricted Subsidiaries under all of such guarantees, plus (B) the amount of Letters of Credit for the benefit of, or in connection with, the business of a Non-Loan Party (other than in the case of a Letter of Credit for the benefit of the business of Parent and its Subsidiaries generally) under Section 2.9(a), shall not in the aggregate exceed $50,000,000 at any time outstanding,

(k) Investments (other than an Acquisition) to the extent the consideration paid therefor consists of Equity Interests of Parent (other than any Disqualified Equity Interests),

(l) Investments held by a Person acquired in a Permitted Acquisition to the extent that such Investments were not made in contemplation of or in connection with such Permitted Acquisition or the Spartech Acquisition and were in existence on the date of such Permitted Acquisition or the Spartech Acquisition,

(m) advances made in connection with purchases of goods or services in the ordinary course of business, including advances to suppliers,

(n) deposits of cash made in the ordinary course of business to secure performance of operating leases,

(o) deposits of cash for leases, utilities, worker's compensation and similar matters in the ordinary course of business,

(p) Investments resulting from entering into (i) Bank Product Agreements, or (ii) agreements relative to Indebtedness arising from Hedge Agreements that is permitted under clause (k) of the definition of Permitted Indebtedness,

(q) the Juffali Investment, provided, that, all of such Investment is made prior to the fifth anniversary of the Existing Closing Date,

(r) promissory notes issued by an Excluded Subsidiary payable to a Loan Party in exchange for Equity Interests of such Loan Party transferred to such Excluded Subsidiary pursuant to a Permitted Disposition under clause (t) of the definition of the term Permitted Disposition,

(s) Investments in Immaterial Subsidiaries or Unrestricted Subsidiaries in an aggregate amount not to exceed $2,500,000 in any fiscal year in connection with environmental remediation costs and expenses incurred by such Subsidiaries,

(t) Investments constituting Permitted Acquisitions,

(u) Investments by a Loan Party and its Restricted Subsidiaries, including loans and advances to any direct or indirect parent of a Loan Party, if such Loan Party or Restricted Subsidiary would be permitted to make a Restricted Payment in such amount under Section 6.8, provided, that, the amount of any such Investment shall also be deemed to be a Restricted Payment under the applicable clause of Section 6.8 for all purposes of the Agreement,

(v) Investments in the ordinary course of business consisting of (i) endorsements of instruments for collection or deposit or (ii) customary trade arrangements with customers,

(w) Investments by Parent and its Restricted Subsidiaries not otherwise permitted under this definition; provided, that, with respect to each Investment made pursuant to this clause (w):

(i) after giving effect thereto, the aggregate amount of all such Investments pursuant to this clause (w) (valued at the time of the making thereof, and without giving effect to any write-downs or write-offs thereof) shall not exceed the amount equal to the sum of (A) $75,000,000 plus (B) fifty percent (50%) of the Consolidated Net Income for all fiscal quarters of Parent for which Consolidated Net Income is positive and that have ended after the Existing Closing Date (commencing with the fiscal quarter ending on December 31, 2011) and for which annual and quarterly financial statements shall have been received by Agent pursuant to Section 5.1 (treated as one continuous accounting period) prior to the date of determination, less one hundred percent (100%) of the Consolidated Net Income for all fiscal quarters of Parent for which Consolidated

Net Income is negative and that have ended after the Existing Closing Date (commencing with the fiscal quarter ending on December 31, 2011) and for which annual and quarterly financial statements shall have been delivered to Agent pursuant to Section 5.1 (treated as one continuous accounting period) prior to the date of determination,

(ii) the Fixed Charge Coverage Ratio (calculated based on the preceding twelve (12) consecutive month period ending on the fiscal month end for which Agent has received financial statements immediately prior to the date of the incurrence of such Indebtedness), on a pro forma basis, immediately after giving effect to such Indebtedness shall be not less than 1.00 to 1.00,

(iii) as of the date of such Investment and after giving effect thereto, using the most recent calculation of the Borrowing Base prior to the date of any such payment, on a pro forma basis, Excess Availability shall be not less than twenty percent (20%) of the Maximum Credit and US Excess Availability shall be not less than fifteen percent (15%) of the Maximum Credit, and

(iv) as of the date of any such Investment, and in each case after giving effect thereto, no Default or Event of Default shall exist or have occurred and be continuing,

provided, that except for Eligible Acquired Business Accounts and Eligible Acquired Business Inventory, if Parent requests that any assets acquired pursuant to such Investment be included in the Borrowing Base, Agent shall have completed an Acceptable Field Exam with respect to the applicable Acquired Business and any Accounts or Inventory of the Acquired Business shall only be Eligible Accounts or Eligible Inventory to the extent that Agent has so completed such Acceptable Field Exam with respect thereto and as to Inventory has received a satisfactory appraisal (and has completed customary legal due diligence with respect thereto with results satisfactory to Agent) and the criteria for Eligible Accounts and Eligible Inventory set forth herein are satisfied with respect thereto in accordance with the Agreement (or such other or additional criteria as Agent may, at its option, establish with respect thereto in accordance with the definitions of Eligible Accounts or Eligible Inventory, as applicable, and subject to such reserves as Agent may establish in connection with the Acquired Business in accordance with Sections 2.1(e) and 2.1(f) of the Agreement), and

(x) the Investment constituting the Spartech Acquisition; provided, that:

(i) the Spartech Acquisition shall close on or before July 15, 2013, 2013,

(ii) as of the date of the Spartech Acquisition and after giving effect thereto, no Event of Default shall exist or have occurred and be continuing,

(iii) the sum of the Excess Availability and Qualified Cash immediately after the closing of the Spartech Acquisition and after the application of the proceeds of any Revolving Loans, and the issuance of any Letters of Credit, in connection therewith, and after provision for payment of all fees and expenses of

the Spartech Acquisition and the other transactions occurring on the same date, shall not be less than $150,000,000, and not less than fifty percent (50%) of the sum of such amount shall consist of Excess Availability,

(iv) Agent shall have received an update Borrowing Base certificate reflecting the transactions described in clause (iii) above,

(v) Spartech and each of its Subsidiaries shall comply with the requirements of Section 5.11 of the Agreement to the extent applicable, including delivery of all appropriate amendments to, and new Loan Documents necessary to satisfy such requirements, and, in connection therewith, Agent shall have received perfected Liens on the Collateral as provided in Section 5.11(b) of the Agreement,

(vi) Agent and each Lender shall have received all executed Spartech Acquisition Documents,

(vii) the Spartech Acquisition shall be consummated in accordance with the terms of the Spartech Acquisition Documents, without any amendment or waiver thereof that may be materially adverse to the interests of Agent or any Lender, except as otherwise consented to by Agent,

(viii) Agent shall have received releases, terminations and such other documents as Agent may reasonably request to evidence and effectuate the termination of Spartech's existing credit facility and the termination and release of any Liens supporting such facility, each in form and substance reasonably satisfactory to Agent,

(ix) Agent shall have received certification from the chief financial officer of Administrative Borrower to the effect that the Loan Parties are Solvent after giving effect to the Spartech Acquisition and related transactions, including the incurrence of, and assumption of, Indebtedness in connection therewith, in form and substance reasonably satisfactory to Agent,

(x) no "Company Material Adverse Effect" (as defined in the Spartech Acquisition Agreement) shall have occurred since December 31, 2011, and

(xi) all conditions to extensions of credit contained in Section 3.2 of the Agreement shall have been satisfied.

"Permitted Liens" means:

(a) Liens granted to, or for the benefit of, Agent to secure the Obligations,

(b) Liens existing on the Effective Date and listed on Schedule P-4 securing Indebtedness in effect on the Effective Date or any Refinancing Indebtedness in respect thereof,

(c) Liens for unpaid taxes, assessments or similar charges not yet due or which are subject to a Permitted Protest,

(d) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising by operation of law in the ordinary course of business which are not overdue for a period of more than thirty (30) days or which are subject to a Permitted Protest,

(e) pledges or deposits of cash in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA,

(f) deposits of cash to secure the performance of bids, trade contracts and leases (other than Indebtedness for borrowed money), statutory obligations, surety and appeal bonds, performance bonds, completion guarantees and other obligations of a like nature incurred in the ordinary course of business and obligations in respect of letters of credit issued for the account of Parent or any of its Restricted Subsidiaries for the payment of its obligations under any of the foregoing in the ordinary course of business and consistent with the current practice of Parent and such Subsidiaries,

(g) easements, rights-of-way, survey exceptions, restrictions (including zoning restrictions), covenants, licenses, municipal regulations, reservations of oil, gas and mineral rights, encroachments, protrusions or other minor title deficiencies, and other similar encumbrances with respect to Real Property which do not materially adversely affect the conduct of the business of the applicable Person or the ownership of its properties and which could not individually or in the aggregate reasonably be expected to materially adversely affect the value of said properties or materially impair their use in the operation of the business of the applicable Person,

(h) Liens securing judgments for the payment of money that do not constitute an Event of Default under Section 8.3 of the Agreement,

(i) purchase money Liens securing Indebtedness permitted under clause (c) of the definition of Permitted Indebtedness; provided, that, (i) such Liens do not at any time encumber any property other than the property purchased or acquired financed by such Indebtedness (except that the collateral for the Indebtedness arising from the Purchase Money Indebtedness for one item of Equipment may be collateral for other Purchase Money Indebtedness for other items of Equipment owing to the same Person) and (ii) the Indebtedness secured thereby consists only of the Indebtedness that was incurred to pay the purchase price for the purchase or acquisition of the property and such Indebtedness does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition,

(j) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods,

(k) Liens solely on any cash earnest money deposits made by Parent or any of its Subsidiaries in connection with any letter of intent or purchase agreement with respect to a Permitted Acquisition, the Spartech Acquisition or a Permitted Investment,

(l) Liens on assets subject to a Permitted Disposition prior to the effectiveness of such Permitted Disposition consisting of the agreement by the owner of such assets to sell or otherwise dispose of such asset pursuant to such Permitted Disposition,

(m) Liens in favor of the 2015 Note Trustee in and on the assets and properties of Borrowers and Guarantors constituting Collateral that equally and ratably secure the Indebtedness permitted under clause (o) of the definition of Permitted Indebtedness to the extent such Liens are required under the terms of the 2015 Note Indenture, provided, that, (i) in the event that at any time the obligation of Parent and its Subsidiaries to grant a Lien to secure the 2015 Note Obligations shall cease or no longer be applicable for any reason, then the Liens granted to the Note Trustee to secure the 2015 Note Obligations shall automatically and without further action terminate as to such 2015 Note Obligations and (ii) such Liens are at all times subject to the terms of the 2015 Note Intercreditor Agreement,

(n) Liens in favor of the Series G Noteholders in and on the assets and properties of Borrowers and Guarantors constituting Collateral that equally and ratably secure the Indebtedness permitted under clause (q) of the definition of Permitted Indebtedness to the extent such Liens are required under the terms of the Series G Guarantee, provided, that, (i) in the event that at any time the obligation of Parent and its Subsidiaries to grant a Lien to secure the obligations under the Series G Guarantee shall cease or no longer be applicable for any reason, then the Liens granted to the Series G Noteholders to secure the obligations under the Series G Guarantee shall automatically and without further action terminate as to such obligations and (ii) such Liens are at all times subject to the terms of the Series G Guarantee Lien Acknowledgement,

(o) [**Reserved**],

(p) any interest or title of a lessor, sublessor, licensor or sublicensor (or their lenders) under any leases, subleases, licenses or sublicenses of tangible assets (or agreements in connection therewith) or any intellectual property entered into by Parent or any Restricted Subsidiary in the ordinary course of business, and any license or sublicense on a non-exclusive basis of any tangible or intangible asset (including intellectual property) by Parent or any Subsidiary in the ordinary course of business that is a Permitted Disposition and that does not materially interfere with the business of Parent and its Subsidiaries,

(q) Liens (i) of a collecting bank arising under Section 4-208 of the Uniform Commercial Code on the items in the course of collection and (ii) in favor of a banking or other financial institution arising as a matter of law encumbering deposits or other funds or assets maintained with a financial institution (including the right of set off) and that are within the general parameters customary in the banking industry, including, without limitation, customary Liens for customary fees and expenses relating to the operation and maintenance of such deposits and (iii) consisting of rights of setoff related to, or Liens on cash subject to, pooling arrangements in connection with cash management,

(r) (i) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums and (ii) Liens on the cash surrender value of existing life insurance policies owned by Parent or any of its Restricted Subsidiaries to secure non-recourse obligations of Parent or such Subsidiary to the issuer of such insurance policies (so that such issuer only has recourse to such cash surrender value),

(s) Liens existing on property (other than First Lien Collateral) at the time of its acquisition or existing on the property of any Person at the time such Person becomes a Restricted Subsidiary, in each case after the date hereof (other than Liens on the Equity Interests of any Person that becomes a Restricted Subsidiary); provided, that, (i) such Lien was not created in contemplation of, or in connection with, such acquisition or such Person becoming a Restricted Subsidiary, (ii) such Lien does not extend to or cover any other assets or property (other than the proceeds or products thereof and after-acquired property subjected to a Lien pursuant to terms existing at the time of such acquisition), and (iii) the Indebtedness secured thereby (or, as applicable, Refinancing Indebtedness thereof) is permitted under clause (h) of the definition of the term Permitted Indebtedness,

(t) Liens arising from precautionary Uniform Commercial Code financing statement filings (or similar filings under other applicable Law) in connection with operating leases, consignment of goods or similar types of transactions,

(u) Liens on assets of Restricted Subsidiaries that are Non-Loan Parties to the extent Indebtedness secured thereby is permitted under clause (g) of the definition of Permitted Indebtedness,

(v) Liens on assets of a Non-Loan Party to secure Indebtedness of such Non-Loan Party to a Loan Party or another Non-Loan Party arising pursuant to Investments permitted under clause (d)(ii) of the definition of Permitted Investments,

(w) options, put and call arrangements, rights of first refusal and similar rights relating to Permitted Investments in joint ventures, partnerships and the like,

(x) if the Spartech Acquisition is consummated, Liens on the Spartech Fixed Assets to secure Indebtedness otherwise permitted under Section 6.1 of the Agreement,

(y) Liens on Accounts pursuant to a disposition permitted by clause (v) of the definition of Permitted Dispositions, and

(z) other Liens on assets other than the First Lien Collateral to secure obligations permitted hereunder that does not exceed $100,000,000 at any time outstanding.

The inclusion of Permitted Liens in this Agreement is not intended to evidence an agreement to subordinate any Lien created by any Loan Document to any Permitted Lien. Notwithstanding anything to the contrary and except as permitted under clauses (a), (m), (n) and (o) of this definition of Permitted Liens, Parent shall not, nor shall it permit any Restricted Subsidiary to, directly or indirectly create, incur, assume or suffer to exist any Lien upon (i) the Equity Interest of any Immaterial Subsidiary or any Person in which Parent or any Subsidiary owns any Equity Interests other than a wholly-owned Subsidiary and (ii) Indebtedness of a Non-Loan Party that is owed to a Loan Party.

"Permitted Protest" means the right of Parent or any of its Subsidiaries to protest any Lien (other than any Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject of a United States federal tax Lien or to the exercise of the Canadian federal government supergarnish right), or rental payment, provided that (a) a reserve with respect to

such obligation is established on Parent's or its Subsidiaries' books and records in such amount as is required under GAAP, (b) any such protest is instituted promptly and prosecuted diligently by Parent or its Subsidiary, as applicable, in good faith, and has the effect (or any orders entered into in connection therewith has the effect) of preventing the forfeiture or sale of the property subject to any Lien with respect thereto, and (c) Agent is satisfied that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Agent's Liens.

"Permitted Purchase Money Indebtedness" means, as of any date of determination, Purchase Money Indebtedness incurred after the Effective Date in an aggregate principal amount outstanding at any one time not in excess of $35,000,000.

"Person" means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan but excluding a Multiple Employer Plan or a Multiemployer Plan), maintained for employees of Parent, any of its Subsidiaries or any ERISA Affiliate or any such Plan to which Parent, any of its Subsidiaries or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified therefor in Section 5.1(c) of the Agreement.

"PPSA" means the Personal Property Security Act (Ontario), the Civil Code of Quebec or any other applicable Canadian Federal or Provincial statute pertaining to the granting, perfecting, priority or ranking of security interests, liens, hypothecs on personal property, and any successor statutes, together with any regulations thereunder, in each case as in effect from time to time. References to sections of the PPSA shall be construed to also refer to any successor sections.

"Priority Payables" means, as to any Borrower or Guarantor at any time, (a) the full amount of the liabilities of such Borrower or Guarantor at such time which (i) have a trust or deemed trust imposed to provide for payment or a security interest, pledge, lien, hypothec or charge ranking or capable of ranking senior to or pari passu with security interests, liens or charges securing the Obligations under any Law in Canada or (ii) have a right imposed to provide for payment ranking or capable of ranking senior to or pari passu with the Obligations under any Law, including, but not limited to, claims for unremitted and/or accelerated rents, taxes, wages, withholding taxes, VAT and other amounts payable to an insolvency administrator, employee withholdings or deductions and vacation pay, workers' compensation obligations, government royalties or pension fund obligations in each case to the extent such trust or deemed trust, or security interest, lien, hypothec or charge has been or may be imposed and (b) the amount equal to the percentage applicable to Inventory in the calculation of Excess Availability multiplied by the aggregate Value of the Eligible Inventory which Agent, in good faith, considers is or may be subject to retention of title by a supplier or a right of a supplier to recover possession thereof, where such supplier's right has priority over the security interests, hypothecs, liens or charges securing the Obligations, including, without limitation, Eligible Inventory

subject to a right of a supplier to repossess goods pursuant to Section 81.1 of the Bankruptcy and Insolvency Act (Canada) or any applicable Laws granting revendication or similar rights to unpaid suppliers or any similar Laws of Canada or any other applicable jurisdiction (provided, that, to the extent such Inventory has been identified and has been excluded from Eligible Inventory, the amount owing to the supplier shall not be considered a Priority Payable).

"Pro Forma Financial Statements" has the meaning specified therefor in clause (j) of Schedule 3.1 of the Agreement.

"Projections" means Parent's forecasted (a) balance sheets, (b) profit and loss statements, and (c) cash flow statements, all prepared on a basis consistent with Parent's historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Pro Rata Share" means, as of any date of determination:

(a) with respect to a Lender's obligation to make US Revolving Loans and right to receive payments of principal, interest, fees, costs, and expenses with respect thereto, (i) prior to the US Commitments being terminated or reduced to zero, the percentage obtained by dividing (A) such Lender's US Commitment, by (B) the aggregate US Commitments of all Lenders, and (ii) from and after the time that the US Commitments have been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Lender's US Revolving Loans by (B) the outstanding principal amount of all US Revolving Loans,

(b) with respect to a Lender's obligation to participate in US Letters of Credit and Reimbursement Undertakings with respect thereto, to reimburse the Issuing Lender with respect thereto, and right to receive payments of fees with respect thereto, (i) prior to the US Commitments being terminated or reduced to zero, the percentage obtained by dividing (A) such Lender's US Commitment, by (B) the aggregate US Commitments of all Lenders, and (ii) from and after the time that the US Commitments have been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Lender's US Revolving Loans by (B) the outstanding principal amount of all US Revolving Loans; provided, that, if all of the US Revolving Loans have been repaid in full and US Letters of Credit remain outstanding, Pro Rata Share under this clause shall be determined based upon subclause (i) of this clause as if the US Commitments had not been terminated or reduced to zero and based upon the US Commitments as they existed immediately prior to their termination or reduction to zero,

(c) with respect to a Lender's obligation to make Canadian Revolving Loans and right to receive payments of principal, interest, fees, costs, and expenses with respect thereto, (i) prior to the Canadian Commitments being terminated or reduced to zero, the percentage obtained by dividing (A) such Lender's Canadian Commitment, by (B) the aggregate Canadian Commitments of all Lenders, and (ii) from and after the time that the Canadian Commitments have been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Lender's Canadian Revolving Loans by (B) the outstanding principal amount of all Canadian Revolving Loans,

(d) with respect to a Lender's obligation to participate in Canadian Letters of Credit and Reimbursement Undertakings with respect thereto, to reimburse the Issuing Lender with respect thereto, and right to receive payments of fees with respect thereto, (i) prior to the Canadian Commitments being terminated or reduced to zero, the percentage obtained by dividing (A) such Lender's Canadian Commitment, by (B) the aggregate Canadian Commitments of all Lenders, and (ii) from and after the time that the Canadian Commitments have been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Lender's Canadian Revolving Loans by (B) the outstanding principal amount of all Canadian Revolving Loans; provided, that, if all of the Canadian Revolving Loans have been repaid in full and Canadian Letters of Credit remain outstanding, Pro Rata Share under this clause shall be determined based upon subclause (i) of this clause as if the Canadian Commitments had not been terminated or reduced to zero and based upon the Canadian Commitments as they existed immediately prior to their termination or reduction to zero, and

(e) with respect to all other matters as to a particular Lender (including the indemnification obligations arising under Section 15.7 of the Agreement), (i) prior to the Commitments being terminated or reduced to zero, the percentage obtained by dividing (A) such Lender's Commitment, by (B) the aggregate amount of Commitments of all Lenders, and (ii) from and after the time that the Commitments have been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Lender's Revolving Loans, by (B) the outstanding principal amount of all Revolving Loans; provided, that, if all of the Revolving Loans have been repaid in full and Letters of Credit remain outstanding, Pro Rata Share under this clause shall be determined based upon subclause (i) of this clause as if the Commitments had not been terminated or reduced to zero and based upon the Commitments as they existed immediately prior to their termination or reduction to zero.

"Protective Advances" has the meaning specified therefor in Section 2.2(d)(i) of the Agreement.

"Public Lender" has the meaning specified therefor in Section 5.1(c) of the Agreement.

"Purchase Money Indebtedness" means Indebtedness (other than the Obligations, but including Capitalized Lease Obligations), incurred at the time of, or within twenty (20) days after, the purchase, lease, construction, replacement, repair or improvement of any personal or Real Property (other than any First Lien Collateral) for the purpose of financing all or any part of the costs of such purchase, lease, construction, replacement, repair or improvement thereof (including pursuant to conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods).

"Qualified Cash" means, as of any date of determination, the amount of unrestricted cash or, subject to the terms below, Cash Equivalents of US Loan Parties that are (a) subject to the valid, enforceable and first priority perfected security interest of Agent in Deposit Accounts or in Securities Accounts maintained at Wells Fargo or another Lender, which Deposit Account or Securities Account are subject to a Control Agreement (and for which Agent shall have received evidence, in form and substance reasonably satisfactory to Agent, of the amount of such cash or Cash Equivalents held in such Deposit Account or investment account as of the date of such determination) (b) free and clear of any other Lien other than (i) those permitted in clause (n) of

the definition of the term Permitted Liens (but as to Liens referred to in clause (n) only to the extent that Agent has established a reserve in respect thereof) and (ii) any other Liens permitted under this Agreement that are subject to an intercreditor agreement in form and substance reasonably satisfactory to Agent between the holder of such Lien and Agent. For purposes of this definition, "Qualified Cash" shall only include Cash Equivalents maturing within ninety (90) days from the date of the acquisition thereof.

"Quarterly Average Excess Availability" means, at any time, the daily average of the aggregate amount of the Excess Availability for the immediately preceding three (3) month period, commencing on the first day of such three (3) month period, as calculated by Agent in accordance with the terms of the Agreement.

"Quebec Hypothec" means a hypothec, dated on or about the Existing Closing Date, in form and substance reasonably satisfactory to Agent and all other documents contemplated thereby or delivered in connection therewith, each executed and delivered by the Canadian Loan Parties, and each as heretofore, now or hereafter amended or modified from time to time.

"Quebec Series G Guarantee Security Documents" means the deed of hypothec entered into on the Existing Closing Date by PolyOne Canada, as grantor, in favor of each Series G Noteholder, as fonde de pouvoir under article 2692 of the Civil Code of Quebec, as heretofore, now or hereafter amended or modified from time to time.

"Real Property" means any estates or interests in real property now owned or hereafter acquired by any Loan Party and the improvements thereto.

"Receiver" has the meaning specified therefore in Section 9.3 of the Agreement.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Refinancing Indebtedness" means Indebtedness of any Loan Party arising after the Effective Date issued in exchange for, or the proceeds of which are used to extend, refinance, replace or substitute for, other Indebtedness to the extent permitted hereunder so long as:

(a) in the case of any Indebtedness in excess of $50,000,000, (i) Agent shall have received not less than five (5) Business Days' prior written notice of the intention to incur such Refinancing Indebtedness, with reasonable detail concerning the terms of such Refinancing Indebtedness and such other information with respect thereto as Agent may reasonably request and (ii) promptly upon Agent's request, Agent shall have received true, correct and complete copies of all agreements, documents and instruments evidencing or otherwise related to such Indebtedness, as duly authorized, executed and delivered by the parties thereto,

(b) the Refinancing Indebtedness shall have a Weighted Average Life to Maturity and a final maturity equal to or greater than the Weighted Average Life to Maturity and the final maturity, respectively, of the Indebtedness being extended, refinanced, replaced, or substituted for,

(c) the Refinancing Indebtedness shall rank in right of payment no more senior than, and be at least subordinated (if already subordinated) to, the Obligations as the Indebtedness being extended, refinanced, replaced or substituted for,

(d) the Refinancing Indebtedness will not have any obligors who were not obligors in respect of the Indebtedness being extended, refinanced, replaced or substituted for,

(e) the negative covenants (including financial covenants) and events of default and collateral (if any) of any Refinancing Indebtedness shall be no less favorable in any material respect to the Loan Parties or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, refunded, renewed or extended, taken as a whole considering all of the circumstances at the time of the incurrence of such Refinancing Indebtedness (and if secured, such Refinancing Indebtedness shall be subject to intercreditor terms reasonably satisfactory to Agent,

(f) such Indebtedness shall be at rates and with fees or other charges that do not exceed the then applicable market rates,

(g) as of the date of incurring such Refinancing Indebtedness and after giving effect thereto, no Event of Default shall exist or have occurred and be continuing, and

(h) the principal amount of such Refinancing Indebtedness shall not exceed the principal amount of the Indebtedness so extended, refinanced, replaced or substituted for (plus the amount of reasonable refinancing fees and expenses incurred in connection therewith outstanding on the date of such event).

"Reimbursement Undertaking" has the meaning specified therefor in Section 2.9(a) of the Agreement.

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

"Remedial Action" means all actions taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address the release of Hazardous Materials in the indoor or outdoor environment, (b) prevent or minimize a release or threatened release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other actions with respect to the release of Hazardous Materials required by Environmental Laws.

"Replacement Lender" has the meaning specified therefor in Section 2.11(b) of the Agreement.

"Report" has the meaning specified therefor in Section 15.16 of the Agreement.

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

"Required Lenders" means, at any time, Lenders whose aggregate Pro Rata Shares (calculated under clause (e) of the definition of Pro Rata Shares) exceed fifty percent (50%); provided, that, at any time there are two (2) or more Lenders, "Required Lenders" must include at least two (2) Lenders who are not Affiliates. For purposes of calculating Pro Rata Share, the Commitments of any Defaulting Lender in determining Required Lenders at any time shall be deemed to be zero.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of Parent or any of its Subsidiaries, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to Parent or such Subsidiary's stockholders, partners or members (or the equivalent Person thereof), or payment made to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire any Equity Interests of Parent or any of its Subsidiaries, or any setting apart of funds or property for any of the foregoing.

"Restricted Subsidiary" means each Subsidiary of Parent that is not an Unrestricted Subsidiary.

"Revolver Usage" means the sum of US Revolver Usage and Canadian Revolver Usage.

"Revolving Loans" means, collectively, US Revolving Loans and Canadian Revolving Loans.

"Sanctioned Entity" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, (d) a Person resident in or determined to be resident in a country, in each case, that is subject to a country sanctions program administered and enforced by OFAC.

"Sanctioned Person" means a person named on the list of Specially Designated Nationals maintained by OFAC.

"S&P" has the meaning specified therefor in the definition of Cash Equivalents.

"SEC" means the United States Securities and Exchange Commission and any successor thereto.

"Second Lien Collateral" has the meaning specified therefor in Section 5.12 of the Agreement.

"Securities Account" means a securities account (as that term is defined in the Code).

"Security Agreement" means a security agreement, dated as of the Existing Closing Date, executed and delivered by US Loan Parties, as heretofore, now or hereafter amended or modified from time to time.

"Series G Guarantee" means the Guarantee, dated as of December 22, 1997, by Parent in favor of the holders of the Series G Notes, whereby Parent has guaranteed the obligations and liabilities of the SunBelt Chlor Alkali Partnership under the Series G Notes.

"Series G Guarantee Lien Acknowledgement" means the Lien Acknowledgement, dated as of the Existing Closing Date, by Agent with respect to the Liens granted to the Series G Noteholders pursuant to the Series G Guarantee Security Agreements, as acknowledged and agreed to by Borrowers and Guarantors, acknowledging the equal and ratable Liens of the Series G Noteholders, as heretofore, now or hereafter amended or modified from time to time.

"Series G Guarantee Reserve Amount" means fifty percent (50%) of the amount of the obligations of Parent or any of its Subsidiaries under the Series G Guarantee; provided, that at any time that Excess Availability is less than $100,000,000, the Series G Guarantee Reserve Amount shall be increased to one hundred percent (100%) of the obligations of Parent or any of its Subsidiaries under the Series G Guarantee.

"Series G Guarantee Security Agreements" means, collectively, (a) the Security Agreement, dated as of the Existing Closing Date, by the Loan Parties, as grantors, in favor of each Series G Noteholder and (b) the Quebec Series G Guarantee Security Documents, as heretofore, now or hereafter amended or modified from time to time.

"Series G Noteholders" means, collectively, each holder of the Series G Notes; sometimes being referred to herein individually as a "Series G Noteholder".

"Series G Notes" means the Guaranteed Secured Senior Notes due 2017, Series G issued by SunBelt Chlor Alkali Partnership.

"Settlement" has the meaning specified therefor in Section 2.2(e)(i) of the Agreement.

"Settlement Date" has the meaning specified therefor in Section 2.2(e)(i) of the Agreement.

"Solvent" means, with respect to any Person on any date of determination, taking into account any right of reimbursement, contribution or similar right available to such Person from other Persons, 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 salable 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.

"Spartech" means Spartech Corporation, a Delaware corporation.

"Spartech Acquisition" means collectively, (a) the merger of 2012 RedHawk, Inc., a Delaware corporation and wholly-owned Subsidiary of Parent, with and into Spartech, and (b) the subsequent merger of Spartech with and into PolyOne Designated Structures and Solutions LLC, a Delaware limited liability company and wholly-owned Subsidiary of Parent, all pursuant to the Spartech Acquisition Documents.

"Spartech Acquisition Agreement" means the Agreement and Plan of Merger dated as of October 23, 2012 by and among Parent, 2012 RedHawk, Inc., a Delaware corporation, 2012 RedHawk, LLC, a Delaware limited liability company, and Spartech.

"Spartech Acquisition Documents" means the Spartech Acquisition Agreement and all other documents related thereto and executed in connection therewith.

"Spartech Fixed Assets" means the Equipment and Real Property of Spartech and its Subsidiaries, as in existence on the Effective Date or thereafter acquired (other than any of such Equipment or Real Property acquired from a Loan Party).

"Specified Canadian Pension Plan" means any Canadian Pension Plan which contains a "defined benefit provision", as defined in subsection 147.1(1) of the Income Tax Act (Canada).

"Specified Real Property" means, in connection with any Permitted Acquisition or the Spartech Acquisition, any Real Property so acquired that may be identified in an Officers' Certificate delivered to the Administrative Agent at the time of such Permitted Acquisition or the Spartech Acquisition or promptly thereafter as "Specified Real Property".

"Subordinated Debt" means any Indebtedness of a Loan Party that is subject to, and subordinate in right of payment to, the right of Agent and Lenders to receive the prior final payment and satisfaction in cash in full of all of the Obligations and subject to such other terms and conditions as Agent may require with respect thereto.

"Subsidiary" of a Person means a corporation, partnership, limited liability company, or other entity in which that Person directly or indirectly owns or controls the Equity Interests having ordinary voting power to elect a majority of the Board of Directors (or appoint other comparable managers) of such corporation, partnership, limited liability company, or other entity.

"Supermajority Lenders" means, at any time, Lenders whose aggregate Pro Rata Shares (calculated under clause (e) of the definition of Pro Rata Shares) are not less than sixty six and two-thirds percent (66-2/3%); provided, that, at any time there are two (2) or more Lenders, "Supermajority Lenders" must include at least two (2) Lenders who are not Affiliates. For purposes of calculating Pro Rate Share, the Commitments of any Defaulting Lender in determining Supermajority Lenders at any time shall be deemed to be zero.

"Swing Lender" means WFCF or any other US Lender (with respect to US Swing Loans) or Canadian Lender (with respect to Canadian Swing Loans) that, at the request of Administrative Borrower and with the consent of Agent agrees, in such Lender's sole discretion, to become the Swing Lender under Section 2.2(b) of the Agreement.

"Swing Loans" means, collectively, US Swing Loans and Canadian Swing Loans.

"Taxes" means any taxes, levies, imposts, duties, similar fees, assessments or other similar charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein with respect to such payments and all interest, penalties or similar liabilities with respect thereto; provided, that, Taxes shall exclude (i) any tax imposed on or measured by, in whole or in part, the revenue, net income, net profits, net assets, capital or net worth (and franchise taxes imposed in lieu thereof) of any Lender or any Participant (including any branch profits taxes), in each case imposed by the jurisdiction (or by any political subdivision or taxing authority thereof) (A) in which such Lender or such Participant is organized (B) in which such Lender's or such Participant's principal office is located, (C) in which such Lender or such Participant is doing business, including, for the avoidance of doubt, branch profits taxes and branch interest taxes (other than as a result of entering into any Loan Document or taking any action contemplated thereunder), (D) in which it has a present or former connection other than as a result of the Loan Documents or taking any action contemplated thereunder or (E) in the case of any Foreign Lender, in which its applicable lending office is located, in each case as a result of a present or former connection between such Lender or such Participant and the jurisdiction or taxing authority imposing the tax (other than any such connection arising solely from such Lender or such Participant having executed, delivered or performed its obligations or received payment under, or enforced its rights or remedies under the Agreement or any other Loan Document); (ii) taxes resulting from a Lender's or a Participant's failure to comply with the requirements of Section 16(c) or (d) of the Agreement, (iii) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which any Borrower is located, (iv) in the case of a Foreign Lender, any United States federal withholding taxes imposed on amounts payable to such Foreign Lender as a result of such Foreign Lender's failure to comply with FATCA to establish a complete exemption from withholding thereunder, and (v) any United States federal withholding taxes that would be imposed on amounts payable to a Foreign Lender based upon the applicable withholding rate in effect at the time such Foreign Lender becomes a party to the Agreement (or designates a new lending office), except that Taxes shall include (A) any amount that such Foreign Lender (or its assignor, if any) was previously entitled to receive pursuant to Section 16(a) of the Agreement, if any, with respect to such withholding tax at the time such Foreign Lender becomes a party to the Agreement (or designates a new lending office), and (B) additional United States federal withholding taxes that may be imposed after the time such Foreign Lender becomes a party to the Agreement (or designates a new lending office), as a result of a change in law, rule, regulation, order or other decision with respect to any of the foregoing by any Governmental Authority.

"Tax Lender" has the meaning specified therefor in Section 14.2(a) of the Agreement.

"Trademark Security Agreement" has the meaning specified therefor in the Security Agreement.

"Transactions" means, collectively, (a) the entering into by the Loan Parties and their applicable Subsidiaries of the Loan Documents to which they are or are intended to be a party and (b) the payment of the fees and expenses incurred in connection with the consummation of the foregoing.

"2015 Note Obligations" means the Indebtedness of Parent evidenced by the 2015 Notes and governed by the 2015 Note Indenture.

"2015 Note Reserve Amount" means the amount of the Indebtedness and other obligations arising under any existing Indebtedness of the Loan Parties that may at any time receive the benefit of Agent's Liens, including the obligations arising under the 2015 Notes, until such time as Agent has received evidence, in form and substance reasonably satisfactory to Agent, that such Indebtedness is no longer secured by Agent's Liens.

"2015 Note Indenture" means the Indenture, dated as of December 1, 1995, by and between The Geon Company (predecessor in interest to Parent) and the 2015 Note Trustee.

"2015 Note Intercreditor Agreement" means the Intercreditor Agreement, dated as of the Existing Closing Date, by and between Agent and the 2015 Note Trustee, as acknowledged and agreed to by Borrowers and Guarantors, providing for such parties relative rights and priorities with respect to the assets and properties of Borrowers and Guarantors and related matters, as heretofore, now or hereafter amended or modified from time to time.

"2015 Note Security Agreement" means the Security Agreement, dated of event date herewith, between the Loan Parties, as grantors, and the 2015 Note Trustee, as collateral agent.

"2015 Note Trustee" means Bank of New York Mellon Trust Company, N.A., in its capacity as trustee under the 2015 Note Indenture.

"2015 Notes" means the 7.500% Debentures due 2015 issued by Parent.

"2012 Notes" means the 8.875% Senior Notes due 2012 issued by Parent.

"2020 Note Indenture" means, collectively, (a) the Indenture, dated as of September 24, 2010, by and between Parent and Wells Fargo Bank, National Association, as trustee with respect to the 2020 Notes and (b) First Supplemental Indenture, dated as of September 24, 2010, by and between Parent and Wells Fargo Bank, National Association, as trustee with respect to the 2020 Notes.

"2020 Notes" means the 7.375% Senior Notes due 2020 issued by Parent.

"Underlying Issuer" means Wells Fargo, Bank of America, N.A. or Bank of Montreal or one of their respective Affiliates.

"Underlying Letter of Credit" means a Letter of Credit that has been issued by an Underlying Issuer.

"Unrestricted Subsidiary" means any Subsidiary of Parent designated by Parent as an Unrestricted Subsidiary hereunder by written notice to Agent; provided, that, Parent shall only be permitted to so designate a Subsidiary as an Unrestricted Subsidiary after the Effective Date and so long as each of the following conditions is satisfied (a) as of the date thereof and after giving effect thereto, no Event of Default exists or has occurred and is continuing, (b) immediately after giving effect to such designation, Borrowers shall be in compliance, on a pro forma basis, with the financial covenants set forth in Section 7, (c) such Subsidiary shall not be a Borrower hereunder, (d) such Unrestricted Subsidiary shall be capitalized (to the extent capitalized by Parent or any of its Restricted Subsidiaries) through Investments as permitted by, and in compliance with, Section 6.10, (e) without duplication of clause (c), any assets owned by such Unrestricted Subsidiary at the time of the initial designation thereof shall be treated as Investments pursuant to Section 6.10, (f) such Subsidiary shall have been or will promptly be designated an "unrestricted subsidiary" (or otherwise not be subject to the covenants) under the 2015 Notes, the 2020 Notes and the Current Notes, if applicable, and (g) Agent shall have received an officer's certificate executed by an Authorized Person of Parent, certifying compliance with the requirements of preceding clauses (a) through (f), and containing the calculations and information required by the preceding clause (b), and (2) any subsidiary of an Unrestricted Subsidiary. Parent may designate any Unrestricted Subsidiary to be a Restricted Subsidiary for purposes of the Agreement (each, a "Subsidiary Redesignation"); provided, that, (i) as of the date thereof, and after giving effect thereto, no Event of Default exists or has occurred and is continuing, (ii) immediately after giving effect to such Subsidiary Redesignation, Borrowers shall be in compliance, on a pro forma basis, with the financial covenants set forth in Section 7, (iii) Agent shall have received an officer's certificate executed by an Authorized Person of Parent, certifying compliance with the requirements of preceding clauses (i) and (ii), and containing the calculations and information required by the preceding clause (ii), and (iv) no Unrestricted Subsidiary that has been designated as a Restricted Subsidiary pursuant to a Subsidiary Redesignation may again be designated as an Unrestricted Subsidiary.

"United States" means the United States of America.

"US Borrowers" means, collectively, (a) PolyOne Corporation, an Ohio corporation, (b) GLS International, Inc., an Illinois corporation, (c) NEU Specialty Engineered Materials, LLC, an Ohio limited liability company, and (d) any other Person that after the Effective Date becomes a US Borrower under the Agreement; sometimes being referred to herein individually as a "US Borrower".

"US Borrowing Base" means, at any time, the amount equal to

(a) eighty-five percent (85%) of the amount of Eligible Accounts of each US Loan Party, plus

(b) the least of (A) seventy percent (70%) multiplied by the Value of Eligible Inventory of each US Loan Party, (B) eighty-five percent (85%) of the Net Recovery Percentage multiplied by the Value of such Eligible Inventory or (C) sixty percent (60%) of the US Maximum Credit, plus

(c) during the Acquired Business Availability Period, the lesser of (A) the sum of (i) sixty percent (60%) of the amount of Eligible Acquired Business Accounts of the applicable US Loan Party, plus (ii) fifty percent (50%) of the Net Recovery Percentage (determined pursuant to the most recent acceptable appraisal received by Agent in accordance with the requirements of the Agreement as to the pre-existing Inventory of US Loan Parties) of the applicable US Loan Party multiplied by the Value of Eligible Acquired Business Inventory or (B) ten percent (10%) of the lesser of (i) the Maximum Credit or (ii) the Borrowing Base, minus

(d) the aggregate amount of reserves applicable to US Loan Parties, if any, established by Agent under Sections 2.1(e) and (f) of the Agreement.

"US Borrowing Base Certificate" means a certificate in the form of Exhibit B-1.

"US Collateral" means Collateral consisting of assets or interests in assets of US Loan Parties, and the proceeds thereof.

"US Commitment" means, with respect to each Lender, its US Commitment, and, with respect to all Lenders, their US Commitments, in each case as such Dollar amounts are set forth beside such Lender's name under the applicable heading on Schedule C-1 or in the Assignment and Acceptance pursuant to which such Lender became a Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 13.1 of the Agreement.

"US Dollar Denominated Loan" means a Revolving Loan denominated in US Dollars.

"US Dollar Equivalent" means at any time (a) as to any amount denominated in US Dollars, the amount thereof at such time, and (b) as to any amount denominated in any other currency, the equivalent amount in US Dollars calculated by Agent in good faith at such time using the Exchange Rate in effect on the Business Day of determination.

"US Dollars", "US$" and "$" shall each mean lawful currency of the United States.

"US Excess Availability" means, as of any date of determination, the amount equal to (a) the lesser of (i) the US Borrowing Base and (ii) the US Maximum Credit (in each case after giving effect to any applicable reserves), minus, without duplication, (b) the amount of the US Revolver Usage.

"US Guarantors" means, collectively, the following (together with their respective successors and assigns) (a) PolyOne LLC, a Delaware limited liability company, (b) Polymer Diagnostics, Inc., an Ohio corporation, (c) Conexus, Inc., a Nevada corporation, (d) MA Hanna Asia Holding Company , a Delaware corporation, (e) ColorMatrix Holdings, Inc., a Delaware corporation, (f) The ColorMatrix Corporation, an Ohio corporation, (g) Chromatics, Inc., a Connecticut corporation, (h) ColorMatrix Group Inc., a Delaware corporation, (i) ColorMatrix—Brazil, LLC, an Ohio limited liability company, (j) Gayson Silicone Dispersions, Inc., an Ohio corporation, (k) Glasforms, Inc., a California corporation, and (l) any other Person that becomes a guarantor in respect of the US Obligations after the Effective Date pursuant to the Agreement; sometimes being referred to herein individually as a "US Guarantor".

"US Lender" means, at any time, each Lender having a US Commitment or a US Revolving Loan owing to it or a participating interest in a US Letter of Credit or US Swing Loan; sometimes being referred to herein collectively as "US Lenders".

"US Letter of Credit Disbursement" means a payment by Issuing Lender or Underlying Issuer pursuant to a US Letter of Credit.

"US Letter of Credit Usage" means, as of any date of determination, the aggregate undrawn amount of all outstanding US Letters of Credit.

"US Letters of Credit" means all Letters of Credit issued for the account of one or more US Borrowers.

"US Loan Account" has the meaning specified therefor in Section 2.7 of this Agreement.

"US Loan Parties" means US Borrowers and US Guarantors; each sometimes being referred to individually as a "US Loan Party".

"US Obligations" means all Obligations of the US Loan Parties (but excluding the Canadian Obligations).

"US Maximum Credit" means $400,000,000 minus the then outstanding Canadian Revolver Usage, as decreased by the amount of reductions in the US Commitments in accordance with Section 2.3(c) of the Agreement or increased by the amount of increases in the US Commitments in accordance with Section 2.12 of the Agreement (or if less, at any time the aggregate amount of the US Commitments).

"US Revolver Usage" means, as of any date of determination, the sum of (a) the principal amount of outstanding Loans to US Borrowers, plus (b) the amount of the US Letter of Credit Usage.

"US Revolving Loans" has the meaning specified therefor in Section 2.1(a) of the Agreement.

"US Swing Loan Limit" means, at any time, $50,000,000 minus the then outstanding amount of Canadian Swing Loans.

"US Swing Loan" has the meaning specified therefor in Section 2.2(b)(i) of the Agreement.

"US Underlying Letter of Credit" means a US Letter of Credit issued by an Underlying Issuer.

"Value" means, as determined by Agent in good faith, with respect to Inventory, the lower of cost computed on a first-in first-out method on a gross book value basis in accordance with GAAP or market value; provided, that, for purposes of the calculation of the Borrowing Base, (i) the Value of Inventory shall not include (A) the portion of the value of Inventory equal to the profit earned by any Affiliate on the sale thereof to any Borrower or (B) write-ups or

write-downs in value with respect to currency exchange rates and (ii) notwithstanding anything to the contrary contained herein, the cost of the Inventory shall be computed in the same manner and consistent with the most recent appraisal of Inventory received and accepted by Agent prior to the date hereof.

"VAT" means Value Added Tax imposed in Canada (including Goods and Services Tax, Harmonized Sales Tax and Quebec Sales Tax).

"Voidable Transfer" has the meaning specified therefor in Section 17.8 of the Agreement.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the then outstanding principal amount of such Indebtedness into (b) the total of the product obtained by multiplying (c) 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 (d) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment.

"Wells Fargo" means Wells Fargo Bank, National Association, a national banking association.

"WFCF" means Wells Fargo Capital Finance, LLC, a Delaware limited liability company.

"Whirlpool" means, collectively, Whirlpool Corporation and its Affiliates.

"Whirlpool Foreign Affiliate" means an Affiliate of Whirlpool Corporation that is organized or incorporated under the laws of a jurisdiction other than a State of the United States, the United States, the District of Columbia, a Province or Territory of Canada or Canada.

Schedule 3.1

The obligation of each Lender to make its initial extension of credit provided for in the Agreement is subject to the fulfillment, to the satisfaction of each Lender (the making of such initial extension of credit by any Lender being conclusively deemed to be its satisfaction or waiver of the following), of each of the following conditions precedent:

(a) Agent shall have received evidence, in form and substance satisfactory to Agent, that Agent (or will have concurrently with the effectiveness of the Agreement) has a valid perfected first priority Lien on the First Lien Collateral (subordinate only to Permitted Liens);

(b) Agent shall have received the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by an Authorized Officer of the signing Loan Party, each dated the Effective Date (or, in the case of certificates of governmental officials, a recent date before the Effective Date) and each in form and substance satisfactory to Agent and each of the Lenders:

(i) executed counterparts of the Agreement, together with updated disclosure schedules;

(ii) an amended and restated note or new note executed by each Borrower in favor of each Lender requesting a note at least two Business Days prior to the Effective Date;

(iii) Amendment to Security Agreement;

(iv) Amended and Restated Perfection Certificate;

(v) Reaffirmations of Loan Documents;

(vi) a US Borrowing Base Certificate;

(vii) a Canadian Borrowing Base Certificate;

(viii) Amendments to Canadian security documents;

(ix) evidence, in form and substance reasonably satisfactory to Agent, of the amount of the Existing Note Secured Debt Limit, including receiving a certificate from an Authorized Person setting forth the amount of the Existing Note Secured Debt Limit and the calculations that are the basis of the determination of such amount, in reasonable detail;

(x) copies of the Current Notes, Indenture and related material documents, agreements and certificates, duly executed by the parties thereto, which shall be in full force and effect, and all conditions to the extension thereunder shall have been satisfied; and

(xi) copy of funds flow statement (if any);

(c) Agent shall have received a certificate from the secretary or other appropriate loan officer of each Loan Party (i) attesting to the resolutions of such Loan Party’s Board of Directors

(or other governing body) authorizing its execution, delivery, and performance of this Agreement and the other Loan Documents to which such Loan Party is a party, (ii) authorizing specific officers of such Loan Party to execute the same, and (iii) attesting to the incumbency and signatures of such specific officers of such Loan Party;

(d) Agent shall have received copies of each Loan Party's Governing Documents, as amended, modified, or supplemented to the Effective Date, certified by the Secretary or other appropriate officer of such Loan Party;

(e) Agent shall have received a certificate of status with respect to each Loan Party, dated within thirty (30) days of the Effective Date, such certificate to be issued by the appropriate officer of the jurisdiction of organization of such Loan Party, which certificate shall indicate that such Loan Party is in good standing in such jurisdiction;

(f) Agent shall have received certificates of status with respect to each Loan Party, each dated within thirty (30) days of the Effective Date, such certificates to be issued by the appropriate officer of the jurisdictions (other than the jurisdiction of organization of such Loan Party) in which its failure to be duly qualified or licensed would have a Material Adverse Effect, which certificates shall indicate that such Loan Party is in good standing in such jurisdictions;

(g) Agent shall have received certificates of insurance, together with the endorsements thereto, as are required by Section 5.6, the form and substance of which shall be reasonably satisfactory to Agent;

(h) Agent shall have received opinions of counsel to the Loan Parties, in form and substance reasonably satisfactory to Agent;

(i) Agent shall have received evidence that Borrowers have received (or will receive concurrently with the effectiveness of the Agreement), in immediately available funds, the gross proceeds of the Current Notes in the amount of not less than $600,000,000;

(j) Borrowers shall have paid (or concurrently with the effectiveness of the Agreement shall pay) all Lender Group Expenses incurred in connection with the transactions evidenced by this Agreement for which Borrowers have received an invoice prior to the Effective Date;

(k) Agent shall have received a certification from the chief financial officer of Parent, in form and substance reasonably satisfactory to Agent, that Parent and its Subsidiaries, taken as a whole, are Solvent immediately after giving effect to the transactions contemplated to occur under the Loan Documents on the date hereof;

(l) Agent and Lenders shall have received the payment of all fees required to be paid under the terms of the Fee Letter (or shall be paid concurrently with the initial borrowing under the Agreement) and all expenses to be paid or reimbursed to the Agent and Arrangers that have been invoiced a reasonable period of time prior to the Effective Date shall have been paid, in each case, from the proceeds of Revolving Loans under this Agreement;

(m) Agent shall have received evidence that Term Loan Agent has received payment in full of the Term Loans and has released or authorized the release of all Liens in favor of the Term Loan Agent securing the Term Loans;

(n) Agent shall have received lien, tax and judgment search results for the jurisdiction of organization of each Borrower and Guarantor, the jurisdiction of the chief executive officer of each Borrower and Guarantor and all jurisdictions in which material assets of Borrowers and Guarantors are located;

(o) Agent shall have received evidence that the security documents relating to the 2015 Notes and the Series G Notes have been amended to release all Liens on equipment and real property, and such Liens have been released or authorized to be released;

(p) Agent shall have received (i) projected quarterly balance sheets, income statements, statements of cash flows and availability of the Loan Parties for the fiscal year ending December 31, 2013, (ii) projected annual balance sheets, income statements, statements of cash flows and availability of the Loan Parties through the fiscal year ending December 31, 2017, in each case as to the projections described in clauses (i) and (ii), with the results and assumptions set forth in all of such projections in form and substance satisfactory to Agent, in good faith, and an opening pro forma balance sheet for the Loan Parties in form and substance satisfactory to Agent, in good faith, and (iii) any updates or modifications to the projected financial statements of the Loan Parties previously received by Agent, in each case in form and substance satisfactory to the Agent;

(q) The sum of the opening Excess Availability and Qualified Cash at closing after the application of proceeds of the initial funding under the Credit Agreement and/or issuance of initial LCs under the Credit Facility and after provision for payment of all fees and expenses related thereto, shall be not less than $150,000,000 and not less than $75,000,000 of the sum of such amounts shall be Excess Availability; and

(r) No Material Adverse Effect shall have occurred since December 31, 2012.

For purposes of determining compliance with the conditions specified in this Schedule 3.1, each Lender that has signed the Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

SCHEDULE 4.1

CAPITALIZATION OF BORROWERS AND BORROWERS' SUBSIDIARIES

Parent	Subsidiary	Percentage of Ownership
PolyOne Corporation	Burton Rubber Company	100%
PolyOne Corporation	ColorMatrix Group, Inc.	100%
PolyOne Corporation	Conexus, Inc.	100%
PolyOne Corporation	GEON Development, Inc.	100%
GLS International, Inc.	GLS Hong Kong Limited	100%
PolyOne Corporation	GLS International, Inc.	100%
GLS International, Inc.	GLS Thermoplastic Alloys (Suzhou) Co., Ltd.	100%
GLS International, Inc.	GLS Trading (Suzhou) Co., Ltd.	100%
PolyOne Corporation	Hanna-Itasca Company	100%
PolyOne Corporation	Hanna Proprietary Limited	100%
PolyOne Corporation	Hollinger Development Company	100%
PolyOne Corporation	M.A. Hanna Asia Holding Company	100%
PolyOne Corporation	M.A. Hanna Export Services Corporation	100%
PolyOne Corporation	M.A. Hanna Plastic Group, Inc.	100%
PolyOne Corporation	NEU Specialty Engineered Materials, LLC	100%
PolyOne Corporation	P.I. Europe CV	92%
PolyOne LLC		8%
PolyOne Corporation	Polymer Diagnostics, Inc.	100%
PolyOne Corporation	PolyOne Canada Inc.	100%
PolyOne Corporation	PolyOne Controladora S.A. de C.V.	100%
PolyOne Corporation	PolyOne Funding Corporation	100%
PolyOne Corporation	PolyOne Hong Kong Holding Limited	100%
PolyOne Corporation	PolyOne International Trading (Shanghai) Co., Ltd.	100%
PolyOne Corporation	PolyOne LLC	100%
PolyOne Corporation	PolyOne Engineered Films, Inc.	100%
PolyOne Corporation	PolyOne Shenzhen Co. Ltd.	100%
PolyOne Corporation	PolyOne Singapore Pte. Ltd.	100%
Conexus, Inc.	PolyOne Termoplasticos do	0.01%

Parent	Subsidiary	Percentage of Ownership
PolyOne Corporation	Brasil Ltda.	99.99%
PolyOne Corporation	PolyOne Vinyl Compounds Asia Holdings Limited	97.2%
PolyOne Corporation	PolyOne Wilflex Australasia Pty. Ltd.	100%
PolyOne Corporation	PolyOne Costa Rica S.A.	100%
PolyOne Corporation	2012 RedHawk, Inc.	100%
PolyOne Corporation	PolyOne Designed Structures and Solutions LLC	100%
M.A. Hanna Asia Holding Company	Star Color Co. Ltd.	100%
M.A. Hanna Plastic Group, Inc.	L.E. Carpenter & Company	100%
M.A. Hanna Plastic Group, Inc.	RA Products, Inc.	100%
PolyOne Engineered Films, LLC	O'Sullivan Plastics LLC	100%
PolyOne Engineered Films, LLC	Regalite Plastics, LLC	100%
PolyOne Engineered Films, LLC	Shawnee Holdings, LLC	100%
PolyOne Termoplásticos do Brasil Ltda.	Uniplen Indústria de Polímeros Ltda.	99.9999%[6]
PolyOne Termoplásticos do Brasil Ltda.	Braspenco Indústria de Compostos Plásticos Ltda.	99.9999%[7]
PolyOne Controladora, S.A. de C.V.	PolyOne de Mexico S.A. de C.V.	100%
PolyOne Canada Inc.	Auseon Ltd.	80%
The Geon Company Australia Limited		20%
PolyOne Canada Inc.	The Geon Company Australia Limited	100%
PolyOne Canada Inc.	LP Holdings Inc.	100%
PolyOne Canada Inc.	PolyOne Funding Canada Corporation	100%
P.I. Europe C.V.	PolyOne International Finance Company	100%
P.I. Europe C.V.	PolyOne Management International Holding, S.L. (ETVE)	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Corporation UK Limited – Trading Company	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Espãna, S.L.	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Italy Srl	100%

[6] Conexus, Inc. owns 1 share out of 3,484,120.

[7] Conexus, Inc. owns 1 share out of 10,659,469.

Parent	Subsidiary	Percentage of Ownership
PolyOne Management International Holding, S.L. (ETVE)	Polimeks Plastik Tic. Ve San. A.S.	100%
PolyOne Management International Holding, S.L. (ETVE)	Tekno Polimer Mühendislik Plastikleri San. Ve Tic. A.S.	100%
PolyOne Management International Holding, S.L. (ETVE)	Tekno Ticaret Mühendislik Plastikleri San. Ve. Tic. A.S.	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Magyarorsza KFT.	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Belgium SA	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Poland Manufacturing Sp. Z o.o.	100%
PolyOne Management International Holding, S.L. (ETVE)	M.A. Hanna France S.à.r.l.	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Deutschland, GmbH	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Luxembourg S.a.R.L.	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Sweden, AB	100%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Europe Logistics S.A.	99.9%
PolyOne Belgium SA		0.1%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne Polska Sp. Z o.o.	99%
PolyOne Belgium SA		1%
PolyOne Management International Holding, S.L. (ETVE)	PolyOne CR s.r.o.	98%
PolyOne Belgium SA		2%
M.A. Hanna France S.à.r.l.	PolyOne France S.A.S.	100%
PolyOne Deutschland, GmbH	PolyOne Color and Additives Germany, GmbH	100%
PolyOne Deutschland, GmbH	PolyOne Th. Bergmann, GmbH	100%
PolyOne Luxembourg S.a.R.L.	PolyOne Korea, Ltd.	100%
PolyOne Luxembourg S.a.R.L.	Juffali PolyOne Masterbatch Co. Ltd	51%
PolyOne Vinyl Compounds Asia Holdings Limited	PolyOne (Dongguan) Vinyl Compounds Company Ltd.	100%
PolyOne Hong Kong Holding Limited	PolyOne Suzhou, China	100%
PolyOne Hong Kong Holding Limited	PolyOne Shanghai, China	100%

Parent	Subsidiary	Percentage of Ownership
PolyOne Singapore Pte. Ltd.	PolyOne Polymers India Pvt. Ltd	100%
PolyOne Singapore Pte. Ltd.	PolyOne Japan K.K.	100%
ColorMatrix Group, Inc.	ColorMatrix Holdings, Inc.	100%
ColorMatrix Holdings, Inc.	The ColorMatrix Corporation	100%
The ColorMatrix Corporation	Chromatics, Inc.	100%
The ColorMatrix Corporation	ColorMatrix – Brazil, LLC	100%
The ColorMatrix Corporation	Gayson Silicone Dispersions, Inc.	100%
ColorMatrix Group, Inc.	ColorMatrix Plastic Colorant (Suzhou) Co. Ltd.	100%
ColorMatrix Holdings, Inc.	ColorMatrix Asia Limited	100%
ColorMatrix Holdings, Inc.	ColorMatrix UK Holdings Ltd.	100%
ColorMatrix – Brazil, LLC	ColorMatrix Argentina S.A.	95%
The ColorMatrix Corporation		5%
ColorMatrix – Brazil, LLC	ColorMatrix do Brasil Industria e Comercio de Pigmentos e Aditivos Ltda.	95.18%
ColorMatrix South America, Ltd.		4.82%
ColorMatrix – Brazil, LLC	ColorMatrix Mexico S.A. de C.V.	99% (fixed) 100% (variable)
The ColorMatrix Corporation		1% (fixed)
ColorMatrix – Brazil, LLC	ColorMatrix South America, Ltd.	100%
ColorMatrix UK Holdings Limited	ColorMatrix Europe Limited	83.81%
ColorMatrix Group, Inc.		16.19%
ColorMatrix Europe Limited	Seola ApS Holding	100%
ColorMatrix Europe Limited	ColorMatrix Europe BV	100%
ColorMatrix Europe Limited	ColorMatrix U.K. Limited	100%
ColorMatrix Europe Limited	ColorMatrix South Africa (Pty) Ltd.	100%
Seola ApS Holding	Colorant Chromatics AG	100%
ColorMatrix Europe BV	ColorMatrix Russia LLC	100%
Colorant Chromatics AG	Shanghai Colorant Chromatics Co, Ltd.	100%
Colorant Chromatics AG	Colorant Chromatics Trading (Shanghai) Co., Ltd.	100%
Colorant Chromatics AG	Colorant Chromatics AB	100%
Colorant Chromatics AG	Colorant GmbH	100%
PolyOne Corporation	Canadian Films Venture Inc.	100%
Hanna Proprietary Limited	MAG International	100%
Canada Films Venture, Inc.	PolyOne Engineered Films LLC	30%
Polyone Corporation		70%

SCHEDULE 4.5(c)
REAL PROPERTY

Record Owner	Address	Book Value (which value may also include equipment values)	Value Per County Tax Website[8]
PolyOne Corporation and The Geon Company (now known as PolyOne Corporation)	Avon Lake, Ohio Campus which consists of buildings and land located at the following addresses in Avon Lake, Ohio (Lorain County): 33587 Walker Road; 552 Moore Road, Bldg 482; 554 Moore Road; Property on the following streets (and in each case, street numbers are not available): Rosehill Ave, Elberton Ave and Greenhill Avenue	$64,654,580.67	$ 13,520,100
D H Compounding Company (now known as PolyOne Corporation)	1260 Carden Farm Drive, Clinton, TN 37716	$ 5,366,595.37	$ 6,169,000
M.A. Hanna Company (now known as PolyOne Corporation)	107 Jackson Street, Dyersburg, TN	$ 9,103,466.60	$ 3,958,000
P.M.S. Consolidated (now known as PolyOne Corporation)	2400 E. Devon Avenue, Elk Grove Village, IL 60007	$ 5,273,257.47	$519, 698 (assessed value)

[8] The amount listed in this column is based solely on the information made available on applicable county tax website. Depending on the applicable county's nomenclature, this amount may have been referenced on the applicable county website as the "fair market value," "cash value," "full cash value", "appraised value", "property value" or similar term. In some cases and where noted, an "assessed value" is the only value that was available on the applicable county website.

Record Owner	Address	Book Value (which value may also include equipment values)	Value Per County Tax Website[8]
Allied Color Industries Inc. (now known as PolyOne Corporation)	7601 North Glen Harbor Blvd., Glendale, AZ 85307	$ 4,410,197.78	$ 3,170,900
The Geon Company (now known as PolyOne Corporation)	1546 County Rd 1450 North, Henry, IL 61537	$ 12,385,906.42	$4,041,798 (assessed value)
Winflex Inc. (now known as PolyOne Corporation)	8155 Cobb Center Drive, Kennesaw, GA 30152	$ 4,081,936.16	$ 5,836,600
M. A. Hanna Company (now known as PolyOne Corporation)	2513 Highland Avenue, Bethlehem, PA 18020	$ 9,168,746.29	$ 2,351,400
The Geon Company (now known as PolyOne Corporation)	2104 East 223rd Street, Carson, CA 90745	$ 5,195,572.72	$ 3,408,721
PolyOne Corporation	1675 Navarre Rd, Massillon, OH 44646	$ 4,491,847.37	$ 5,907,000
Water Street Enterprises Inc. (now known as PolyOne Corporation)	733 East Water Street, North Baltimore, OH 45872	$ 2,033,786.40	$ 1,704,600
PolyOne Corporation	80 North West Street, Norwalk, OH 44587	$ 4,615,217.17	$ 1,215,700

Record Owner	Address	Book Value (which value may also include equipment values)	Value Per County Tax Website[8]
PolyOne Corporation	Pasadena, TX Campus, which consists of buildings and land located at the following addresses in Pasadena, Texas (Harris County): 4402 and 4403A Pasadena Freeway – Hwy 225 W, Pasadena, TX 77503 And 4403 LaPorte Freeway	$ 10,103,763.14	$ 10,383,156.00
M A Hanna Company (now known as PolyOne Corporation)	Seabrook, TX Campus, which consists of buildings and land located at the following addresses in Seabrook, Texas (Harris County): 10100 Porter Road; 5200 Hwy 146; FM 146 ST; 5780 Highway 146; 5306 Hwy 146; additional property on Hwy 146 (no specific street numbers)	$ 31,752,231.91	$ 37,170,162.00
The Geon Company (now known as PolyOne Corporation)	Route 130 and Porcupine Rd., Pedricktown, NJ 08067	$ 8,405,674.87	$ 30,500,000 (assessed value)
Dennis Chemical Co. (now known as PolyOne Corporation)	2700 Papin Street, St. Louis, MO 63103	$ 1,744,026.36	
PolyOne Corporation	204 Industrial Park Drive, Sullivan, MO 63080	$ 1,155,777.91	$ 760,140
M A Hanna Company (now known as PolyOne Corporation)	2900 Shawnee Industrial Way, Suwanee, GA 30024	$ 3,114,509.02	$ 2,143,200 (assessed value)

Record Owner	Address	Book Value (which value may also include equipment values)	Value Per County Tax Website[8]
The Geon Company (now known as PolyOne Corporation)	3100 North 35th Street, Terre Haute, IN 47804	$ 6,954,328.21	$ 2,363,700
Avecor Inc (now known as PolyOne Corporation)	245 Avecor Drive, Niles Ferry Industrial Pkwy, Vonore TN 37885	$ 6,896,133.85	$ 1,563,900
The Geon Company (now known as PolyOne Corporation)	4250 Bells Lane, Louisville KY 40211	$ 2,991,250.98	$764,300 (assessed value)
PolyOne Corporation	2206 Industrial Parkway, Calvert City, KY. (Also referenced as 2468 Industrial Parkway, Calvert City, KY). Site consists of multiple parcels.	0	
PolyOne Canada Inc.	15 and 17 Tideman Drive Orangeville ON, Canada L9W 3K3	$3,650,888 (consists of $ 1,683,765 Compound; and $ 1,967,123 Plasticizer)	
PolyOne Canada Inc.	177 St Andre St PO Box 606 St Remi de Napierville QB, Canada J0L 2L0	$ 1,668.238	
PolyOne Canada Inc.	77 S. David Street, Lindsay, ON Canada	0	
PolyOne Corporation	3601 Joint Venture Lane Louisville, KY	NA – Property will be sold	NA –Property will be sold
PolyOne Corporation (as successor to The Hanna Mining Company).	Itasca, MN Parcel No. 25-520-0430	NA- Property will be sold	NA- Property will be sold
PolyOne Corporation	1804-1808 River Road Burlington, NJ	NA – Property will be sold	NA – Property will be sold

Record Owner	Address	Book Value (which value may also include equipment values)	Value Per County Tax Website[8]
PolyOne Corporation	DeForest, WI Parcel ID Number: 118/0910-084-8020-1	NA –Property will be sold	NA –Property will be sold
PolyOne Corporation	21300 Doral Road Brookfield, WI	NA – Property will be sold	NA – Property will be sold
PolyOne Canada Inc.	Niagara Falls, ON Canada Parcel ID Number: Parts 25, 26, 27 and 33, Plan 59R — 10639 — PIN 64262-0005; Part 32, Plan 59R-10639 (was Part 1, Plan 59R-6285)-PIN 640058-0026; Part 23, Plan 59R-10639 (was Part 4, Plan 59R-6285)-PIN 640058-0148	NA – Property will be sold	NA – Property will be sold
Chromatics, Inc.	19 Francis J. Clarke Circle Bethel, CT 06801		$1,670,600
Glasforms, Inc.	3943 Valley East Industrial Drive, Birmingham, AL 3521[9]	Information not available	13-22-1-000-004.501 = $1,909,900 13-22-1-000-004.502 = $1,791,200 13-22-1-000-004.503 = 781,200
Glasforms, Inc.	3968 Valley East Industrial Drive Birmingham, AL 35217	Information not available	13-15-4-000-009.008 = $2,444,300
Glasforms, Inc.	3850 Pinson Valley Parkway Birmingham, AL 35217	Information not available	13-22-1-000-002.010 =$1,207,300
Glasforms, Inc.	4410 Hampton Heights Drive Birmingham, AL 35217	Information not available	29-15-1-004-006.334 = $172,900

[9] This property is leased from The Industrial Development Board of the City of Birmingham and will be reconveyed to Glasforms, Inc. upon the expiration of the Lease.

SCHEDULE 4.5(d)
LEASES

Entity Name	Address	Lessor (Including Address)
PolyOne Corporation	Groton-Shirley Road, S.E., Ayer, MA 01432	GFI Ayer, L.L.C, 133 Pearl Street, Suite 400, Boston, MA 02110, Attention: Steven E. Goodman
PolyOne Corporation	11400 Newport Drive, Suites A/B/C, Rancho Cucamonga, CA 91730	Krausz RC Properties One, LLC, 44 Montgomery Street, Suite 3300, San Francisco, CA 94104
PolyOne Corporation	1610 Phillips Street, Dyersburg, TN 38024	CDSF LTD., LLC, 2207 Kimball Rd., S.E., P.O. Box 20109, Canton, OH 44701, Attention: Douglas J. Sibila
PolyOne Corporation	3160 Neil Armstrong Blvd., Suite F04, Eagan, MN 55121	AMB Property, L.P., c/o CB Richard Ellis, Inc, 7760 France Avenue South, Suite 770, Minneapolis, MN 55435-5852; with a copy to: AMB Property Corporation, Attn: Asset Manager – Minneapolis, Pier 1, Bay 1, San Francisco, CA 94111
PolyOne Distribution Company (now known as PolyOne Corporation)	114 Morehead Rd., Statesville, NC 28677	CDSF LTD. LLC, 2207 Kimball Rd., S.E., P.O. Box 20109, Canton, OH 44701, Attention: Douglas J. Sibila
PolyOne Corporation	225 Industrial Drive, Vonore, TN 37885	Ken and Leyanne Harper, 3601 HELMSLEY COURT, Maryville, TN 37803
PolyOne Corporation	1414 Lowell Street, Elyria, OH 44035	Northern Ohio Associates Limited Partnership, c/o RBS Mansfield Corp., 247 W. 87th Street, Suite 8G, New York, NY 10024
PolyOne Corporation	10100 Porter Road, LaPorte, TX 77571	Granite Underwood Distribution Centers P.O. Box 843856 Dallas, TX 75284-3856 *Note: Property is managed by Holt Lundsford Commercial*
PolyOne Corporation	7755 National Turnpike, Unit 130, Louisville, KY 40214	LIT Industrial Limited Partnership, 2650 Cedar Springs Rd., Suite 850, Dallas, TX 75204, Attention: James C. Hendricks; with a copy to: Fortis Group, LLC, 462 S. Fourth St., Suite 1810, Louisville, KY 40202, Attention: Property Manager/LIC

Entity Name	Address	Lessor (Including Address)
PolyOne Canada Inc.	30 Driver Road Brampton ON, Canada L6T 5V2	Airport 407 Business Campus Inc., Suite 500, 10 Carlson Court, Etobicoke, ON M9L 6L2, Attention: VP, Property Management; with a copy to: Airport 407 Business Campus Inc., Suite 300, 55 University Avenue, Toronto, ON M5J 2H7, Attention: Asset Manager
PolyOne Corporation	1275 Windham Pkwy, Romeoville, IL 60446	Offices at Windham Lakes I LLC, 701 West Erie, Chicago, IL 60610, Attention: Steven Kersten, Manager; with copies to: David H. Sachs, Esq., Aronberg Goldgehn Davis & Garmisa, 330 N. Wabash, Suite 1700, Chicago, IL 60611; and to: Nicolson Porter & List, 1300 West Higgins Road, Park Ridge, IL 60068
PolyOne Corporation	3910 Third Parkway, Terre Haute, Indiana	Distributors Terminal Corporation, P.O. Box 3287, Terre Haute, IN 47803
GLS Corporation (now known as PolyOne Corporation)	921 Ridgeview Drive, McHenry, IL and 831 Ridgeview Drive, McHenry, IL	Stantine Limited Partnership Attn: Steven L. Dehmlow 85 W Algonquin Road, Suite 600 Arlington Heights, IL 60005 With a copy to Elizabeth S. Perdue, Esq. Morgan, Lewis & Bockius LLP 77 West Wacker Drive Chicago, IL 60601
GLS Corporation (now known as PolyOne Corporation)	833 Ridgeview Road, McHenry, IL	Kingsbury Limited Partnership Attn: Steven L. Dehmlow 85 W Algonquin Road, Suite 600 Arlington Heights, IL 60005 With a copy to Elizabeth S. Perdue, Esq. Morgan, Lewis & Bockius LLP 77 West Wacker Drive Chicago, IL 60601

Entity Name	Address	Lessor (Including Address)
NEU Specialty Engineered Materials, LLC	15 Corporate Drive, North Haven, CT 06473 (New Haven County)	Curtis P. Smith c/o MMSG, LLC 254 North Rolling Acres Chesire, CT 06410 With a copy to: David Wayne Winters 315 Highland Avenue Chesire, CT 06410
Glasforms, Inc.	1226 Lincoln Avenue, Suite 200, San Jose, California	Aebo-Buff c/o Pavicich Realty 2435 Forest Avenue #200 San Jose, California 95128 Attn: Mike Herkenrath
Glasforms, Inc.	155 Cleage Drive, Birmingham, AL 35217	Howard Rental LLC 4280 Pinson Valley Parkway Birmingham, Alabama 35215
The ColorMatrix Corporation	30 2nd St. S.W., Barberton, OH 44203	Barberton Community Development Corporation, 542 W. Tuscarawas Ave., Barberton, OH 44203
The ColorMatrix Corporation	Richland Industrial Park, 7204 Burns Street, Forth Worth, Texas	LBM Management, P.O. Box 471105, Fort Worth, TX 76147
The ColorMatrix Corporation	680 N. Rocky River Drive, Berea, OH	680 North LLC Attn: Shimon Eckstein c/o Eckstein Properties 60 Broad St., Suite 3503 New York, NY 10004

SCHEDULE 4.6(a)
STATES OF ORGANIZATION

Loan Parties

Entity Name	Jurisdiction of Organization
Chromatics, Inc.	Connecticut
ColorMatrix - Brazil, LLC	Ohio
ColorMatrix Group, Inc.	Delaware
ColorMatrix Holdings, Inc.	Delaware
Conexus, Inc.	Nevada
Gayson Silicone Dispersions, Inc.	Ohio
Glasforms, Inc.	California
GLS International, Inc.	Illinois
M.A. Hanna Asia Holding Company	Delaware
NEU Specialty Engineered Materials, LLC	Ohio
Polymer Diagnostics, Inc.	Ohio
PolyOne Canada Inc.	Canada
PolyOne Corporation	Ohio
PolyOne LLC	Delaware
The ColorMatrix Corporation	Ohio

Other Subsidiaries

Entity Name	Jurisdiction of Organization
Auseon Ltd.	Australia
Braspenco Indústria de Compostos Plásticos Ltda.	Brazil
Burton Rubber Company	Delaware
Canadian Films Venture Inc.	Canada
Colorant Chromatics AB	Finland
Colorant Chromatics Trading (Shanghai) Co., Ltd.	China
Colorant GmbH	Germany
ColorMatrix Argentina S.A.	Argentina
ColorMatrix Asia Limited	Hong Kong
ColorMatrix do Brasil INdustria e Comercio de Pigmentos e Aditivos Ltda.	Brazil
ColorMatrix Europe BV	Netherlands
ColorMatrix Europe Limited	United Kingdom

ColorMatrix Mexico S.A. de C.V.	Mexico
ColorMatrix Plastic Colorant (Suzhou) Co. Ltd.	China
ColorMatrix Russia LLC	Russia
ColorMatrix South America Ltd.	British Virgin Islands
ColorMatrix U.K. Limited	United Kingdom
ColorMatrix UK Holdings Limited	United Kingdom
GEON Development, Inc.	Ohio
GLS Hong Kong Limited	China
GLS Thermoplastic Alloys (Suzhou) Co., Ltd	China
GLS Trading (Suzhou) Co., Ltd.	China
Hanna Proprietary Limited	Delaware
Hanna-Itasca Company	Delaware
L. E. Carpenter & Company	Delaware
LP Holdings Inc.	Canada
M.A. Hanna Export Services Corporation	Barbados
M.A. Hanna France S.à.r.l.	France
M.A. Hanna Plastic Group, Inc.	Michigan
MAG International	Delaware
O'Sullivan Plastics LLC	Nevada
P.I. Europe C.V.	Netherlands
Polimeks Plastik Tic. ve San. A.S.	Turkey
PolyOne (Dongguan) Vinyl Compounds Company Ltd.	China
PolyOne Belgium SA	Belgium
PolyOne Color and Additives Germany, GmbH	Germany
PolyOne Controladora, S.A. de C.V.	Mexico
PolyOne Corporation UK Limited – Trading Company	United Kingdom
PolyOne CR s.r.o.	Czech Republic
PolyOne de Mexico S.A. de C.V.	Mexico
PolyOne Deutschland, GmbH	Germany
PolyOne Engineered Films, LLC	Virginia
PolyOne Espãna, S.L.	Spain
PolyOne Europe Logistics S.A.	Belgium
PolyOne France S.A.S.	France
PolyOne Funding Canada Corporation	Canada
PolyOne Funding Corporation	Delaware
PolyOne Hong Kong Holding Limited	Hong Kong
PolyOne International Finance Company	Ireland
PolyOne International Trading (Shanghai) Co., Ltd.	China
PolyOne Italy Srl	Italy
PolyOne Japan K.K.	Japan
PolyOne Korea, Ltd.	Korea
PolyOne Luxembourg S.a.R.L.	Luxembourg

PolyOne Magyarorsza KFT.	Hungary
PolyOne Management International Holding, S.L. (ETVE)	Spain
PolyOne Poland Manufacturing Sp. z o.o.	Poland
PolyOne Polska Sp. z o.o.	Poland
PolyOne Polymers India Pvt. Ltd	India
PolyOne Shanghai, China	China
PolyOne Shenzhen Co., Ltd.	China
PolyOne Singapore Pte. Ltd.	Singapore
PolyOne Suzhou, China	China
PolyOne Sweden, AB	Sweden
PolyOne Termoplásticos do Brasil Ltda.	Brazil
PolyOne Th. Bergmann, GmbH	Germany
PolyOne Vinyl Compounds Asia Holdings Limited	British Virgin Islands
PolyOne Wilflex Australasia Pty. Ltd.	Australia
RA Products, Inc.	Michigan
Regalite Plastics, LLC	Massachusetts
Seola ApS Holding	Denmark
Shanghai Colorant Chromatics Co. Ltd.	China
Shawnee Holdings, LLC	Virginia
Star Color Co., Ltd.	Thailand
Tekno Polimer Mühendislik Plastikleri San. ve Tic. A.S.	Turkey
Tekno Ticaret Mühendislik Plastikleri San. ve. Tic. A.S.	Turkey
The Geon Company Australia Limited	Australia
Uniplen Indústria de Polímeros Ltda.	Brazil
ColorMatrix South Africa (Pty) Ltd.	South Africa
PolyOne Costa Rica S.A.	Costa Rica
Juffali PolyOne Masterbatch Co. Ltd	Saudi Arabia
Hollinger Development Company	Nevada
Colorant Chromatics AG	Switzerland
2012 RedHawk, Inc.	Delaware
PolyOne Designed Structures and Solutions LLC	Delaware

SCHEDULE 4.6(b)
CHIEF EXECUTIVE OFFICES

Entity Name	Chief Executive Office
PolyOne Corporation	33587 Walker Rd Avon Lake, Ohio 44012
Conexus, Inc.	33587 Walker Rd Avon Lake, Ohio 44012
GLS International, Inc.	833 Ridgeview Dr McHenry, IL 60050
M.A. Hanna Asia Holding Company	33587 Walker Rd Avon Lake, Ohio 44012
NEU Specialty Engineered Materials, LLC	15 Corporate Dr. North Haven, CT 06473
PolyOne LLC	33587 Walker Rd Avon Lake, Ohio 44012
Polymer Diagnostics, Inc.	33587 Walker Rd Avon Lake, Ohio 44012
PolyOne Canada Inc.	15 Tideman Drive, Orangeville, Ontario, Canada L9W 3K3
ColorMatrix Group, Inc.	680 North Rocky River Dr Berea, Ohio 44017
ColorMatrix Holdings, Inc.	680 North Rocky River Dr Berea, Ohio 44017
The ColorMatrix Corporation	680 North Rocky River Dr Berea, Ohio 44017
Chromatics, Inc.	19 Francis J Clarke Circle, Bethel, CT 06801
ColorMatrix—Brazil, LLC	680 North Rocky River Dr Berea, Ohio 44017
Gayson Silicone Dispersions, Inc.	30 Second Street SW Barberton, Ohio 44203
Glasforms, Inc.	3850 Pinson Valley Parkway Birmingham, AL 35217

SCHEDULE 4.6(c)
ORGANIZATIONAL IDENTIFICATION NUMBERS

Entity Name	Federal Tax I.D. No.
PolyOne Corporation	34-1730488
Conexus, Inc.	34-1927668
GLS International, Inc.	36-4468840
M.A. Hanna Asia Holding Company	34-1711629
NEU Specialty Engineered Materials, LLC	80-0511592
PolyOne LLC	76-0735367
Polymer Diagnostics, Inc.	34-1849104
PolyOne Canada Inc.	427700-7
ColorMatrix Group, Inc.	20-4915111
ColorMatrix Holdings, Inc.	20-4822104
The ColorMatrix Corporation	34-1256877
Chromatics, Inc.	57-0742795
ColorMatrix—Brazil, LLC	N/A
Gayson Silicone Dispersions, Inc.	22-2239967
Glasforms, Inc.	94-2498488

SCHEDULE 4.11
BENEFIT PLANS

Parent withdrew from the National Integrated Group Pension Plan (a Multiemployer Plan) effective October 31, 2010.

SCHEDULE 4.12
ENVIRONMENTAL MATTERS

None.

SCHEDULE 4.28(a)
THIRD PARTY LOCATIONS

Warehouseman or Bailee

Entity Name	Warehouseman or Bailee	Location
PolyOne Corporation	Plastic Express 15450 Salt Lake Avenue City of Industry, CA 91745 Attention: Ray Hufnagel	4200 Industry Drive East, Suite A Fife, WA (Tacoma Location) and 151 Fieldcrest, Edison, NJ
PolyOne Corporation	Pulse Logistics P.O. Box 4944 1048 N. Monroe Kansas City, MO 64120	1600 N. 291 Hwy, Carefree Industrial Park Red Tunnel – Unit #950, Independence, MO 64058
PolyOne Corporation	Aspen Distribution, Inc. Attn: Terry Brewer PO Box 39108 10875 East 40th Avenue Denver, CO 80239	10875 East 40th Avenue Denver, CO 80239
PolyOne Corporation	Major Prime Plastics, Inc Attn: John Hadley P.O. Box 6240 649 N. Ardmore Avenue Villa Park, IL 60181	649 N. Ardmore Avenue Villa Park, IL 60181
PolyOne Corporation	G&D Trucking, Inc Durkee Road BNSF Tracks (aka G & D Trucking 26062 Frontage Road) 5281-5289 Channahon, IL 60410	Durkee Road BNSF Tracks (aka G & D Trucking 26062 Frontage Road) 5281-5289 Channahon, IL 60410
PolyOne Corporation	Priority Transportation, Inc. Attn: Charles Rivera P.O. Box 3894 Marina Station Bo. Mani Mayaguez, Puerto Rico 00681	5412 Road 64 KM01 Mayaguez, PR
PolyOne Corporation	Pulse Transportation Services, Inc. P.O. Box 4944 1048 N. Monroe Kansas City, MO 64120 Attention: Stephen Pulse — President	1600 N. 291 Hwy. Carefree Industrial Park Red Runnel Unit #950 Independence, MO and 3900 Empire Road Kansas City, MO

Entity Name	Warehouseman or Bailee	Location
PolyOne Corporation	Stagecoach Cartage & Distribution, Inc. Attn: Scott McLaughlin 7167 Chino Dr. El Paso, TX 79915	7167 Chino Dr. El Paso, TX 79915 8900 San Gabriel Laredo, TX
PolyOne Corporation	Quality Distribution, Inc. Attn: Sita Jasper 421 John Glenn Road Salt Lake City, UT 84116	421 John Glenn Road Salt Lake City, UT 84116
PolyOne Corporation	Total Transportation Solutions Inc. 20 Casebridge Court Scarborough, ON M1B 3M5 Canada Attention: Mr. Scott Pustai	5003-52nd Ave. S.E. Calgary, Alberta Canada
PolyOne Corporation	Ee-Jay Motor Transports, Inc. 1501 Lincoln Avenue East St. Louis, IL 62204	1501 Lincoln Avenue East St. Louis, IL 62204
PolyOne Corporation	Plastic Express – Edison 15450 Salt Lake Avenue City of Industry, CA 91745-1112	151 Fieldcrest, Edison, NJ 08837
PolyOne Corporation	PolyOne Corporation c/o NS TBT 1431 Chardon Road Euclid, OH 44117	1431 Chardon Road Euclid, OH 44117
PolyOne Corporation	Florida Bulk Transfer – Miami 3601 NW 62nd Street Miami, FL 33147	3601 NW 62nd Street Miami, FL 33147
PolyOne Corporation	Saddle Creek Corporation 3010 Saddle Creek Road Lakeland, FL 33801 Attention: Thomas Patterson	3010 Saddle Creek Road Lakeland, FL 33801
PolyOne Corporation	Polymer Distribution-Guelph 351 Elizabeth Street Guelph, Ontario Canada N1E 2X9	351 Elizabeth Street Guelph, Ontario Canada N1E 2X9
PolyOne Corporation	Stagecoach Cartage 7167 Chino Dr. El Paso, TX 79915	8900 San Gabriel, Laredo, TX 78045
PolyOne Corporation	Polymer Distribution, Lachine 1111 12th Avenue Lachine, Quebec Canada H8S 4K9	1111 12th Avenue Lachine, Quebec Canada H8S 4K9
PolyOne Corporation	A&R Distribution, Morris IL 8440 South Tabler Road Morris, IL 60450	8440 South Tabler Road Morris, IL 60450

Entity Name	Warehouseman or Bailee	Location
PolyOne Corporation	Gamas Group 1520 North Industrial Park Nogales, AZ 85621 Plant 1WNZ	1520 North Industrial Park Nogales, AZ 85621 Plant 1WNZ
PolyOne Corporation	Bulkmatic Transport –Pineville NS TBT 2820 Nevada Blvd. Charlotte, NC 28273	2820 Nevada Blvd. Charlotte, NC 28273
PolyOne Corporation	A & R Transport 1501 N. Savana Avenue Terra Haute, IN 47804 Plant 1WTB	1501 N. Savana Avenue Terra Haute, IN 47804 Plant 1WTB
PolyOne Corporation	Katoen Natie 6660 Financial Drive Mississauga, Ontario Canada L5N 7J6	6660 Financial Drive Mississauga, Ontario Canada L5N 7J6
PolyOne Corporation	DELAWARE EXPRESS P.O. Box 97 Elkton, MD 21921	1280 Railcar Ave. Edgemoor, DE 19802
PolyOne Corporation	Logistica Integral 11905 Hayter Rd. Laredo TX 78045	11905 Hayter Rd. Laredo TX 78045
PolyOne Corporation	WELLDEX DEL NORTE, S.C. 801 Hallmark Eastpoint Indust., Laredo, TX 78045 Plant 1WLO	801 Hallmark Eastpoint Indust., Laredo, TX 78045 Plant 1WLO
PolyOne Corporation	International Impulse, Inc. 5812 Cromo Drive El Paso, TX 79912 Attention: Abiel Carrillo	1251 N. Industrial Park Nogales, AZ 85621
PolyOne Corporation	Major Prime Plastics	300 S. Mitchell Ct. Addison, IL 60101
PolyOne Corporation	Delaware Express – Worcester	P@W Railroad Southbridge Street Worcester, MA 01610
PolyOne Corporation	CSX Transflo – Tampa	504 North 34th Street Tampa, FL 33605
PolyOne Corporation	Truck Rail Handling	Zone 3 Track 767 Warm Springs, CA 94539
PolyOne Corporation	Carolina Transfer	900 N. Hoskins Road Charlotte, NC 28216
PolyOne Corporation	NS Thoroughbred Bulk Terminal	1901 Rossville Chattanooga, TN 37408
PolyOne Corporation	Crisosa S.A. de C.V.	482 West San Ysidro Blvd. 972 San Diego, CA 92173

Entity Name	Warehouseman or Bailee	Location
PolyOne Corporation	Food Express	SPLC Code 761560 Ogden, UT 94401
PolyOne Corporation	Plastic Express	7427 Roemead Blvd. Pico Rivera, CA 90660
PolyOne Corporation	Plastic Express	BNSF Clic 5020 Track 8 San Diego, CA 92121
PolyOne Corporation	General Transport	Airlake Industrial Park Lakeville, MN 55044
PolyOne Corporation	Nebraska Central Railroad	1701 S. 13th Street Norfolk, NE 68701
PolyOne Corporation	A & R Transport	3201 St Xavier Street Louisville, KY 40212
PolyOne Corporation	TennKen	1200 E. Cherry St. Dyersburg, TN 38025
PolyOne Corporation	MCC Transport, Inc.	4700 Blaffer Houston, TX 77026
PolyOne Corporation	Valleytank	950 Boul. Cadieux Valleyfield, Quebec J6T 6L4
PolyOne Corporation	FPK Realty LLC	305 Foster Street Littleton, MA 01460
The Colormatrix Corporation	AMCOR RIGID PLASTICS N.A.	520 Bell Avenue Ames, IA 50010
The Colormatrix Corporation	DEVTECH LABS, INC.	12 Howe Drive Amherst, NH 03031
The Colormatrix Corporation	BEMIS COMPANY, INC.	2521 W Everrett Appleton, WI 54914
The Colormatrix Corporation	SAPONA PLASTICS	7039 Hwy 220 S. Asheboro, NC 27205
The Colormatrix Corporation	GRAHAM PACKAGING	1650 Westgate Parkway Atlanta, GA 30336
The Colormatrix Corporation	PORTOLA PACKAGING, Inc.	951 Douglas Road Batavia, IL 60510
The Colormatrix Corporation	TRADEWIND PLASTICS	Francisco De Goya Avenue, Bayamon, Puerto Rico 00960
The Colormatrix Corporation	GRAHAM PET TECHNOLOGIES	7 Technology Drive Bedford, NH 03110

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	MOHAWK INDUSTRIES	2118 Marlboro Road, Bennettsville, SC 295158328
The Colormatrix Corporation	WESTERN CONTAINER CORPORATION	1600 1st Avenue Big Spring, TX 79720
The Colormatrix Corporation	KYDEX, LLC	6685 Low Street Bloomsburg, PA 17815
The Colormatrix Corporation	HUSKY CANADA	500 Queen Street South Bolton Canada L7E 5S5
The Colormatrix Corporation	STACKTECK SYSTEMS LIMITED	1 Paget Road, Brampton Canada L6T 5S5
The Colormatrix Corporation	PACIFIC PLASTICS INC.	111 South Berry Street Brea, CA 92821
The Colormatrix Corporation	NAMPAC	1591 N. Harvey Mitchell Place, Byan, TX 77803
The Colormatrix Corporation	MERRILL'S PACKAGING, INC.	1529 Rollins Road Burlingame, CA 94010
The Colormatrix Corporation	RUBBERMAID CALGARY	4660 68th Ave. Southeast, Calgary, Canada T2C 4N3
The Colormatrix Corporation	COLGATE PALMOLIVE COMPANY	8800 Guernsey Industrial, Cambridge, Ohio 43725
The Colormatrix Corporation	AMES TRUE TEMPER	465 Railroad Ave. Camphill, PA 17011
The Colormatrix Corporation	NAMPAC	1033 North Production Road, Cedar City, UT 84721
The Colormatrix Corporation	BIG 3 PRECISION	2923 Wabash Avenue Centralia, IL 62801
The Colormatrix Corporation	Bermuda Distribution, Inc	12511 Bermuda Triangle Rd., Chester, VA 23836
The Colormatrix Corporation	PROGRESSIVE PLASTIC INC.	14801 Emery Avenue Cleveland OH 44135

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	OATEY COMPANY	4700 West 160th Street, Cleveland OH 44135
The Colormatrix Corporation	DEMO—DAVE RUSSELL	18751 Cloverstone Circle, Comelius, NC 28031
The Colormatrix Corporation	BEAULIEU OF AMERICA	509 Fifth Avenue Dalton, GA 30722
The Colormatrix Corporation	NAMPAC	7 Wheeling Road Dayton, NJ 08810
The Colormatrix Corporation	COMPOSITE TECHNOLOGIES CO	401 North Keowee Street, Dayton, OH 454041602
The Colormatrix Corporation	Ancos	4813 County Drive Disputanta, VA 23842
The Colormatrix Corporation	ENERGIZER PERSONAL CARE	800 Silvr Lake Road Dover, DE 19904
The Colormatrix Corporation	PURE TECH PLASTICS	91 East Carmans Road East Farmingdale, NY 11735
The Colormatrix Corporation	PREFORMS	478 Gulf Crescent, Sydport Industrial Park, Edwardsville, Nova Scotia B2A 4T3
The Colormatrix Corporation	TESSY PLASTICS	488 Ny Route 5 West Elbridge, NY 13060
The Colormatrix Corporation	THE PLASTEK GROUP—CPD	2425 W. 23rd Street Erie, PA 16506
The Colormatrix Corporation	ERIE MOLDED PLASTICS INC.	6020 W. Ridge Road Erie, PA 16506
The Colormatrix Corporation	RIDGELINE PIPE MANUFACTURING	2220 Nugget Way Eugene, OR 97403
The Colormatrix Corporation	ACHILLES USA, INC.	1407 80th Street S.W. Everett, WA 98203
The Colormatrix Corporation	ICE RIVER SPRINGS WATER	Grey Road #2 Feversham, Canada N0C 1C0

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	CENTREX PLASTICS LLC	814 W. Lima Street Findlay, OH 45840
The Colormatrix Corporation	GRAHAM PACKAGING	7959 Vulcan Drive Florence, KY 41042
The Colormatrix Corporation	POM WONDERFUL	2970 S. Orange Avenue Fresno, CA 93725
The Colormatrix Corporation	GEORGIA GULF & AFFILIATES	Highway 51 South Gallman, MS 39077
The Colormatrix Corporation	DIAMOND PLASTICS CORPORATION	1212 Johnstown Road Grand Island, NE 68803
The Colormatrix Corporation	MEADWESTVACO CALMAR	11901 Grandview Road, Grandview, MO 64030
The Colormatrix Corporation	MIDGARD, INC	1255 Nursery Road Green Lane, PA 18054
The Colormatrix Corporation	SURTECO	7104 Cessna Drive Greensboro, NC 27409
The Colormatrix Corporation	KEITH SEABOLT, DEMO	6801 Volunteer Drive, Greenville, TX 75402
The Colormatrix Corporation	MITSUBISHI POLYESTER FILM	2001 Hood Road Greer, SC 29652
The Colormatrix Corporation	J R Products	90 Valley Lake Drive Grey Court, SC 29645
The Colormatrix Corporation	ARMAL, INC.	122 Hudson Industrial Drive, Griffin, GA 30224
The Colormatrix Corporation	THE PLASTEK GROUP—HMD	1015 County Home Road, Hamlet, NC 28345
The Colormatrix Corporation	NORTHERN PIPE PRODUCTS IN	1268 Imperial Road Hampton, IA 50441
The Colormatrix Corporation	BERRY PLASTICS CORPORATION	7447 Candlewood Rd. Hanover, MD 21076

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	PORT ERIE PLASTICS	909 Troupe Road Harborcreek, PA 16421
The Colormatrix Corporation	CONSTAR INTERNATIONAL	1801 Clark Road Harve De Grace, MD 21078
The Colormatrix Corporation	THE RODON GROUP	2800 Sterling Drive Hatfield, PA 19440
The Colormatrix Corporation	WESTERN CONTAINER	110 W.L. Runnels Industri, Hattiesburg, MS 39401
The Colormatrix Corporation	SONOCO PLASTICS, INC.	5801 N. Lindberg Blvd., Hazelwood, MO 63042
The Colormatrix Corporation	GRAHAM PACKAGING	12 Maplewood Drive Hazleton, PA 18201
The Colormatrix Corporation	SIMONA AMERICA	64 N. Conahan Drive Hazleton, PA 18201
The Colormatrix Corporation	CONSTAR INTERNATIONAL	Newark Industrial Park Bl., Hebron, Ohio 43025
The Colormatrix Corporation	Prime Conduit	1405 East Santa Fe Blvd. High Springs, FL 32643
The Colormatrix Corporation	PLASTIC TECHNOLOGIES	1465 Timberwolfe Holland, OH 435280964
The Colormatrix Corporation	B-SIDE PLASTICS	4102 Veterans Drive Houston, TX 77043
The Colormatrix Corporation	VISTA CONTAINER & CLOSURES	4003 Leeland Street Houston, TX 77023
The Colormatrix Corporation	DENVER PLASTICS	560 Dahlia Street Hudson, CO 80642
The Colormatrix Corporation	GRAHAM PACKAGING	2515 Independence Road Iowa City, IA 52240
The Colormatrix Corporation	CONSTAR INTERNATIONAL	595 Industrial Drive Jackson, MS 39209

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	Igloo Products Corp.	30603 Highway 90 Katy, TX 77494
The Colormatrix Corporation	XTEN INDUSTRIES LLC	9600 55th Street Kenosha, WI 53144
The Colormatrix Corporation	Reduction Engineering	4430 Crystal Parkway Kent, OH 44240
The Colormatrix Corporation	PORTOLA PACKAGING, Inc.	408 Tilthammer Drive, Kingsport, TN 37660
The Colormatrix Corporation	PALMETTO SYNTHETICS	633 Commerce Drive, Kingstreet, SC 29556
The Colormatrix Corporation	PALRAM	9735 Commerce Circle, Kutztown, PA 19556
The Colormatrix Corporation	EXTRUSION VINYL & PLASTIC	1311 Godin Avenue Leval, CANADA H7E 2T1
The Colormatrix Corporation	GRAHAM PACKAGING	2447 Palumbo Drive Lexington, KY 40509
The Colormatrix Corporation	ZELLER PLASTIK	1515 Franklin Blvd., Libertyville, IL 60048
The Colormatrix Corporation	APTARGROUP, INC.	901 Technology Way, Libertyville, IL 60048
The Colormatrix Corporation	NAMPAC	2160 Lithonia Industrial, Lithonia, GA 30058
The Colormatrix Corporation	DESIGN MOLDED PLASTICS	8220 Baveraia Road Macedonia, OH 44056
The Colormatrix Corporation	PARAGON PACKAGING INC.	1500 E. Broad Street, Mansfield, TX 76063
The Colormatrix Corporation	CHROMA CORPORATION	3900 West Dayton Street, Mchenry, IL 60050
The Colormatrix Corporation	FERGUSON PRODUCTION, INC.	2130 Industrial Drive, Mcpherson, KS 67460

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	ALTIRA	3225 N.W. 112th Street Miami, FL 33167
The Colormatrix Corporation	SONOCO	245 Britannia Road, Mississauga, Ontario L4Z 4J3
The Colormatrix Corporation	RUBBERMAID HOME PRODUCTS	3200 Gilchrist Road Mogadore, OH 44260
The Colormatrix Corporation	MICHAEL ASCHENBRENER, DEMO	17450 Leggett Road Montville, OH 44064
The Colormatrix Corporation	LOMONT MOLDING, INC.	1516 East Mapleleaf Drive Mt. Pleasant, IA 52641
The Colormatrix Corporation	GRAHAM PACKAGING	102 Kaad Road Muskogee, OK 74401
The Colormatrix Corporation	IPEC HOLDINGS, INC.	185 Northgate Circle New Castle, PA 16105
The Colormatrix Corporation	SILGAN PLASTICS CORPORATION	1858 Meca Way Norcross, GA 30093
The Colormatrix Corporation	FOURMARK MANUFACTURING INC	2690 Plymouth Drive Oakville, Canada L6H 6G7
The Colormatrix Corporation	KIK CORPORATION	101 Mac Intosh Blvd, Ontario, Canada L4K 4R5
The Colormatrix Corporation	CONSTAR INTERNATIONAL	7400 South Orange Avenue, Orlando, FL 32809
The Colormatrix Corporation	INFINITI PLASTICS TECHNOLOGY	5400 Commerce Drive Padauch, KY 42001
The Colormatrix Corporation	PRETIUM PACKAGING	2015 S. Main Street Paris, IL 61944
The Colormatrix Corporation	MONTVILLE PLASTICS & RUBB	15567 Main Market Rd (Us 422), Parkman, Ohio 44080
The Colormatrix Corporation	RESILUX AMERICA LLC	265 John Brooks Road, Pendergrass, GA 30567

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	BERRY PLASTICS CORPORATION	19101 Kapp Drive Peosta, IA 52068
The Colormatrix Corporation	CRESLINE-WEST INC.	3747 West Buckeye Road Phoenix, AZ 85009
The Colormatrix Corporation	VINYLPLEX INC.	1800 Atkinson Avenue Pittsburg, KS 66762
The Colormatrix Corporation	AGI POLYMATRIX	45 Downing Parkway Pittsfield, MA 01201
The Colormatrix Corporation	LOGOPLASTE CHICAGO, LLC	14420 Van Dyke Painfield, IL 60544
The Colormatrix Corporation	PREFERRED PLASTICS INC.	800 E. Bridge Street Plainwell, MI 49080
The Colormatrix Corporation	PLASTIPAK PACKAGING	4211 Amberjack Blvd. Plant City, FL 33567
The Colormatrix Corporation	IPL PLASTICS	140 Ruc Commerciale Quebec, Canada G0R 2Y0
The Colormatrix Corporation	EXTRUCAN	2155 Rue Canadien, Quebec, Canada J2C 7V9
The Colormatrix Corporation	PREMIUM WATERS INC.	1811 No. 30th Street Quincy, IL 62301
The Colormatrix Corporation	CANTEX INC.	130 Woodland Avenue Reno, NV 85923
The Colormatrix Corporation	Alloy Polymers, Inc	3310 Deepwater Terminal Rd., Richland, VA 23234
The Colormatrix Corporation	RING CONTAINER TECHNOLOGIES	4689 Assembly Drive Rockford, IL 61109
The Colormatrix Corporation	CANTEX INC.	Old St. James Street Rolla, MO 65401
The Colormatrix Corporation	JOHN BOMBACE, SALES TECH	111 Ruby Court Rutherford, CT 28139

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	CLOSURE SYSTEMS INT'L INC	480 North 5600 West Salt Lake City, UT 84116
The Colormatrix Corporation	CLOSURE SYSTEMS INT'L INC	4915 Norman Road Sandston, VA 23150
The Colormatrix Corporation	CLOSURE SYSTEMS INT'L INC	Plant #089 Sandston, Va 23150
The Colormatrix Corporation	PIRANHA PLASTICS	3531 Thomas Road Santa Clara CA 95054
The Colormatrix Corporation	KIK-SoCAL INC.	9028 Dice Road Santa Fe Spring, CA 90670
The Colormatrix Corporation	GRAHAM PET TECHNOLOGIES	510 E. Naches Avenue Selah, WA 98942
The Colormatrix Corporation	M & G POLYMERS USA, LLC	6951 Ridge Road, Sharon Cernter, OH 442740590
The Colormatrix Corporation	KOHLER COMPANY	300 South Oklahoma Sheridan, AR 72150
The Colormatrix Corporation	MATTEL MABAMEX	1333 30th Street South Diego, CA 92154
The Colormatrix Corporation	COLORITE	909 E Glendale Avenue Sparks, NV 89431
The Colormatrix Corporation	ALPHA PACKAGING INC.	1555 Page Industrial Blvd St. Louis, MO 63132
The Colormatrix Corporation	LIQUID CONTAINER L.P.	7100 Durand, Unit B Sturtevant, WI 53177
The Colormatrix Corporation	MOHAWK INDUSTRIES	106 Bankson Drive Summerville, GA 30747
The Colormatrix Corporation	JM EAGLE	1820 Midvale Road Sunnyside, WA 98944
The Colormatrix Corporation	WESTERN CONTAINER CORPORATION	2205 70th Avenue East Tacoma, WA 98424

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	PORTOLA PACKAGING, Inc.	4 South 84th Ave, Suite A, Taolleson, AZ 85353
The Colormatrix Corporation	WEATHERCHEM CORPORATION	2222 Highland Road Twinsburg, OH 44087
The Colormatrix Corporation	YOSHINO AMERICA CORPORATION	2500 Palmer Avenue University Park, IL 604663134
The Colormatrix Corporation	BLACKHAWK AUTOMOTIVE PLASTICS	500 North Warpole Street Upper Sandusky, OH 43351
The Colormatrix Corporation	ELECTRFORM INDUSTRIES	852 Scholz Drive Vandalia, OH 45377
The Colormatrix Corporation	COLORITE	700 Jewel Drive Waco, TX 76712
The Colormatrix Corporation	DENVER PLASTICS	2355 Aspen Street Wahoo, NE 68066
The Colormatrix Corporation	Dura Warehouse	525 South Lemon Avenue, Walnut, CA 91789
The Colormatrix Corporation	BERRY PLASTICS CORPORATION	199 Edison Road Washington, GA 30673
The Colormatrix Corporation	1769 HAWTHORNE LANE	1769 Hawthorne Lane West Chicago, IL 60185
The Colormatrix Corporation	Qualtech Technologies, Inc	1685B Joseph Lloyd Parkway, Willoughby, OH 44094
The Colormatrix Corporation	WEENER PLASTICS	2201 Stantonsburg Road, Wilson, NC 27893
The Colormatrix Corporation	INFILTRATOR SYSTEMS INC.	1315 Enterprise Drive, Winchester, KY 40391
The Colormatrix Corporation	ROYAL GROUP TECHNOLOGIES	1 Royal Gate Boulevard, Woodbridge, Canada L4I 8Z7
The Colormatrix Corporation	ROYTEC VINYL SIDING	91 Royal Group Crescent, Wookdbridge, Canada L4H 1X9

Entity Name	Warehouseman or Bailee	Location
The Colormatrix Corporation	MARK BULLOCK, EQUIP TEST & RESEARCH	2456 Monterey Wooster, OH 44691
The Colormatrix Corporation	GRAHAM PACKAGING	420 Emig Road York, PA 17406

Consignee

Entity Name	Consignee	Location
PolyOne Corporation	Aetna Wire & Cable 1537 Air Rail Ave. Virginia Beach, VA 23455	1537 Air Rail Ave., Virginia Beach, VA
PolyOne Corporation	Schick Manufacturing Inc. (also listed as American Safety Razor Company) 240 Cedar Knolls Road Suite 401 Cedar Knolls, NJ 07927	Cd. Obregon, Sonora, Mexico
PolyOne Corporation	CommScope, Inc. of North Carolina 3642 Highway 70 East PO Box 879 Claremont, NC 28610-0879 Attention: Purchasing CommScope, Inc. of North Carolina 1100 CommScope Place SE Hickory, NC 28602 Attention: General Counsel	6519 CommScope Road, Catawba, NC 28609 & 3642 US HWY 70 East, Claremont, NC 28610
PolyOne Corporation	King Bros, Inc. 29101 The Old Road Valencia, CA 91355	29101 The Old Road, Valencia, CA 91355
PolyOne Corporation	Amesbury Group 105 Washington Street NW Cannon Falls, MN 55009-1150	Bandlock Corporation, 1734 Vineyard Ave., Ontario, CA
PolyOne Corporation	Amesbury Group Inc., Extruded Products Division 105 Washington Street West Cannon Falls, MN 55009	105 Washington Street West, Cannon Falls, MN 55009
PolyOne Corporation	NYX, Inc. – Levan 36667 Schoolcraft Road Livonia, MI 48150-1175	36667 Schoolcraft Road, Livonia, MI

Entity Name	Consignee	Location
PolyOne Corporation	OFS Fitel, LLC 10 Brightware Blvd. Carrollton, GA 30117	10 Brightwave Blvd., Carrollton, GA
PolyOne Canada Inc.	Prysmian Cables and Systems 425 rue St. Louis St.-Jean sur Richelieu Quebec, Canada J3B 1Y6	425 rue St-Louis, St-Jean-sur-Richelieu, Quebec, Canada J3B 1Y6
	Prysmian Cables and Systems 569 Hwy. 28 By-Pass Abbeville, SC 29620	569 Hwy 28 By-Pass, Abbeville, SC, USA 29620
PolyOne Canada Inc.	Nexans Canada Inc. 670 Gzowski Street Post Office Box 1203 Fergus, Ontario Canada N1W 2W9	670 Gzowski Street, Post Office Box 1203, Fergus, Ontario N1W 2W9
PolyOne Corporation	Superior Essex Communications LP 6120 Powers Ferry Road Atlanta, GA 30339 Attention: Michael D. George – Director of Procurement	6120 Powers Ferry Rd., Atlanta, GA 30339-2923
PolyOne Canada Inc.	Tarkett 1001 Yamaska Street East Franham, Quebec Canada J2N 1J7	1001 Yamaska Street East, Farnham, Quebec J2N 1J7
PolyOne Corporation	Whirlpool Corporation and Maytag Corporation 2000 M-63 Benton Harbor, MI 49022 Attention: Whirlpool Procurement Designated Supplier Lead	Findlay, OH
PolyOne Corporation	Rainin Instrument, LLC 7500 Edgewater DR Main Street Oakland, CA 94621 Attention: Larry Johnson	7500 Edgewater Dr., Oakland, CA
PolyOne Corporation	Nypro Inc. Sending document and letter to Emily.Sho@nypro.com	Nypro San Diego
PolyOne Canada Inc.	Plastiflex Canada, Inc. 595 Riddell Road Orangeville, Ontario Canada L9W 4Z5	595 Riddell Road, Orangeville, Ontario

Entity Name	Consignee	Location
PolyOne Corporation	J.W. Speaker Corporation N120 W19434 Freistadt Road Germantown, WI 53022	N120 W 19434 Freistadt Road Germantown, WI 53022
PolyOne Distribution Company (now known as PolyOne Corporation)	Genesis Plastic Technologies LLC 27200 Tinkers Ct. Glenwillow, OH 44139 Attention: Jim Mayor	27200 Tinkers Ct., Glenwillow, OH 44139
PolyOne Corporation	Sun Tech Industries 41958 Highway 2 Ravenna, NE 68869 Attention: Shannon Mackey	41958 Highway 2, Ravenna, NE 68869
PolyOne Corporation	David S. Smith (America), Inc. dba Worldwide Dispensers 78 Second Ave. South Lester Prairie, MN 55354 Attention: Jerre Kachmar	78 Second Ave South, Lester Prairie, MN 55354
PolyOne Corporation	Nypro Inc. Sending document and letter to Rhonda.main@nypro.com	Nypro Asheville
PolyOne Corporation	Stanley Black & Decker, Inc. 1000 Stanley Drive New Britain, CT 06053-1675	Stanley Works, 100 Stanley Road, Cheraw, SC 29502
PolyOne Distribution Company (now known as PolyOne Corporation)	Conimar Corporation 1724 N.E. 22nd Ave. Ocala, FL 34770-4702 Attention: Audrea Allen- Purchasing Agent	N.E. 22nd Ave., Ocala, FL 34770-4702
PolyOne Distribution Company (now known as PolyOne Corporation)	GW Plastics 239 Pleasant Street Bethel, VT 05032 Attention: Scott Perkins	239 Pleasant Street, Bethel, VT 05032
PolyOne Corporation	Belden 2200 US Highway 27 South Richmond, IN 47374	North West, N St., Richmond, IN 47374 1200 West Columbia Ave., Monticello, KY 42633
PolyOne Corporation	Panduit Corporation 18900 Panduit Drive Tinley Park, IL 60487-3091	18900 Panduit Drive Tinley Park, IL 60487-3091

Entity Name	Consignee	Location
The Colormatrix Corporation	Prime Conduit	1776 East Beamer Street, Woodland, CA 95685
The Colormatrix Corporation	Prime Conduit	635 East Lawn Road Nazareth, PA 18064
The Colormatrix Corporation	Prime Conduit	6500 South Interpace Oklahoma City, OK 73135
The Colormatrix Corporation	Prime Conduit	1405 East Santa Fe Blvd. High Springs, FL 32643
The Colormatrix Corporation	Igloo Products Corp.	30603 Highway 90 Katy, TX 77494

SCHEDULE 4.28(b)
LOCATIONS OF INVENTORY AND EQUIPMENT

U.S. Locations — Owned Locations

Entity Name	Location
PolyOne Corporation	552 Moore Road, Avon Lake, OH 44012
PolyOne Corporation	2400 E. Devon Avenue, Elk Grove Village, IL 60007
PolyOne Corporation	7601 North Glen Harbor Blvd., Glendale, AZ 85307
PolyOne Corporation	1546 County Rd 1450 North, Henry, IL 61537
PolyOne Corporation	8155 Cobb Center Drive, Kennesaw, GA 30152
PolyOne Corporation	2104 East 223rd Street, Carson, CA 90745
PolyOne Corporation	1675 Navarre Rd, Massillon, OH 44646
PolyOne Corporation	733 East Water Street, North Baltimore, OH 45872
PolyOne Corporation	80 N. West Street, Norwalk, OH 44587
PolyOne Corporation	Route 130 and Porcupine Rd., Pedricktown, NJ 08067
PolyOne Corporation	2700 Papin Street, St. Louis, MO 63103
PolyOne Corporation	204 Industrial Park Drive, Sullivan, MO 63080
PolyOne Corporation	2900 Shawnee Industrial Way, Suwanee, GA 30024
PolyOne Corporation	1260 Carden Farm Drive, Clinton, TN 37716
PolyOne Corporation	4250 Bells Lane, Louisville, KY 40211
PolyOne Corporation	554 Moore Road, Avon Lake, OH
PolyOne Corporation	33587 Walker Road, Avon Lake OH 44012
PolyOne Corporation	4403A Pasadena Freeway – Hwy 225 W, Pasadena, TX 77503
PolyOne Corporation	4402 Pasadena Freeway, Pasadena, TX 77503
PolyOne Corporation	3100 North 35th Street, Terre Haute, IN 47804
PolyOne Corporation	2513 Highland Avenue, Bethlehem, PA 18020
PolyOne Corporation	107 Jackson Street, Dyersburg, TN 38024
PolyOne Corporation	Highway 146, Seabrook, TX 77586
PolyOne Corporation	2104 East 223RD Street, Long Beach, CA 90745
PolyOne Corporation	245 Avecor Drive Vonore, TN 37885
PolyOne Corporation	833 Ridgeview Drive McHenry, IL 60050
PolyOne Corporation	177 St Andre St Remi, QC Canada
Glasforms, Inc.	3943 Valley East Industrial Drive (Four Building Complex) Birmingham, AL 35217
Glasforms, Inc.	3968 Valley East Industrial Drive Birmingham, AL 35217
Glasforms, Inc.	3850 Pinson Valley Parkway Birmingham, AL 35217
Glasforms, Inc.	4410 Hampton Heights Drive Birmingham, AL 35217

Leased Locations

Entity Name	Location
PolyOne Corporation	1414 Lowell Street, Elyria, OH 44035
PolyOne Corporation	10100 Porter Road, LaPorte, TX 77571
PolyOne Corporation	3160 Neil Armstrong Dr., Eagan, MN 55121
PolyOne Corporation	7755 National Turnpike, Unit 130, Louisville, KY 40214
PolyOne Corporation	15 Corporate Drive, North Haven, CT 06473
PolyOne Corporation	114 Morehead Rd., Statesville, NC 28677
PolyOne Corporation	1610 Phillips Street, Dyersburg, TN 38024
PolyOne Corporation	11400-A Newport Drive, Rancho Cucamonga, CA 91730
PolyOne Corporation	3910 Third Park Way Terre Haute, IN 47804
PolyOne Corporation	30 Driver Road Brampton, ON Canada
Glasforms, Inc.	1226 Lincoln Avenue, Suite 200, San Jose, California, 95125
Glasforms, Inc.	155 Cleage Drive, Birmingham, AL 35217
The Colormatrix Corporation	680 North Rocky River Drive, Berea, Ohio 44017
The Colormatrix Corporation	7204 Burns Street, Richland Hills, TX 76118

Warehouse, Bailee and Consignee Locations

All locations listed on Schedule 4.28(a)

Schedule 5.1

Deliver to Agent, with copies to each Lender, each of the financial statements, reports, or other items set forth set forth below at the following times in form reasonably satisfactory to Agent:

Quarterly (as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters during each of Parent's fiscal years) so long as no Revolving Loans are outstanding, but prior to any borrowing under the Agreement, Agent shall have received such items monthly for the immediately preceding month if the request for such borrowing is more than 20 days after such month end, or for the month prior to such immediately preceding month, if the request for such borrowing is less than 20 days after such month end, and monthly (as soon as available, but in any event within 30 days after the end of each month during each of Parent's fiscal years (other than the last month of each fiscal quarter) at all times thereafter	(a) a consolidated balance sheet of Parent and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income or operations, changes in shareholders' equity, and cash flows for such fiscal quarter and for the portion of Parent'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 (excluding comparisons to the financial statements of any Acquired Business for any fiscal year ending prior to the fiscal year in which such Acquired Business was acquired) and the corresponding portion of the previous fiscal year, all in reasonable detail, certified by the chief executive officer, chief financial officer, treasurer or controller of Parent as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of Parent and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes, and (b) a Compliance Certificate.

as soon as available, but in any event within 90 days after the end of each of Parent's fiscal years	(c) a consolidated balance sheet of Parent and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity, and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year (excluding comparisons to the financial statements of any Acquired Business for any fiscal year ending prior to the fiscal year in which such Acquired Business was acquired), 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 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, and
	(d) a Compliance Certificate.
as soon as available, but in any event within 60 days after the end of each of Parent's fiscal years,	(e) forecasts prepared by management of Parent, in form reasonably satisfactory to Agent, of consolidated balance sheets and statements of income or operations and cash flows of Parent and its Subsidiaries on a monthly basis for the immediately following fiscal year (including the fiscal year in which the Maturity Date occurs).
as soon as available, but in any event within 30 days after the end of each of Parent's fiscal years,	(f) a certificate summarizing the insurance coverage (specifying type, amount and carrier) in effect for each Loan Party and its Subsidiaries and containing such additional information as the Agent may reasonably specify.
if and when filed by Parent,	(g) copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of Parent, and copies of all annual, regular, periodic and special reports and registration statements which Parent 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 Agent pursuant hereto, and
	(h) any other information that is provided by Parent to its shareholders generally.

10 days prior written notice of:	(i) any change of the name of any Loan Party (within the meaning of the Code or PPSA, as applicable) or any jurisdiction of organization of each Loan Party at any time on and after the Closing Date.
promptly, but in any event within 2 Business Days after any Loan Party has knowledge of any event or condition that constitutes a Default or an Event of Default,	(j) notice of such event or condition.
promptly after the commencement thereof, but in any event within 5 days after the service of process with respect thereto on Parent or any of its Subsidiaries,	(k) notice of all actions, suits, or proceedings brought by or against Parent or any of its Subsidiaries before any Governmental Authority which reasonably could be expected to have a Material Adverse Effect.
promptly after the assertion or occurrence thereof,	(l) notice of any action or proceeding against or of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit that could (i) reasonably be expected to have a Material Adverse Effect or (ii) cause any Mortgaged Property to be subject to any restrictions on ownership, occupancy, or transferability under any Environmental Law.
upon the request of Agent,	(m) any other information reasonably requested relating to the financial condition of Parent or its Subsidiaries.
Promptly with the delivery thereof	(n) any reports and other information delivered by Parent or its Subsidiaries under the Term Loan Agreement that are not routine, and
	(o) copies of any statement or report furnished by Parent or its Subsidiaries, other than those related to routine administrative matters, 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 and not otherwise required to be furnished to the Lenders pursuant to this Schedule 5.1.
Together with the delivery of each Compliance Certificate pursuant to this Schedule 5.1,	(p) a report supplementing Schedules 4.5(b), and 4.5(c), including an identification of all owned and leased real property disposed of by Parent or any Subsidiary thereof during such fiscal year, a description of changes in the information included in such Schedules as may be necessary for such Schedules to be accurate and complete.

Schedule 5.2

Provide Agent (and if so requested by Agent, with copies for each Lender) with each of the documents set forth below at the following times in form reasonably satisfactory to Agent:

Monthly (no later than the 10th day of each month), unless (i) either (A) Excess Availability is less than 15% of the Maximum Credit or (b) US Excess Availability is less than 12.5% of the Maximum Credit or (ii) a Default or an Event of Default has occurred and is continuing, then weekly	(a) a US Borrowing Base Certificate and a Canadian Borrowing Base Certificate, and (b) Inventory system/perpetual reports specifying the cost and the wholesale market value of each Borrower's and its Subsidiaries' Inventory, by category, with additional detail showing additions to and deletions therefrom (delivered electronically in an acceptable format, if Borrowers have implemented electronic reporting).
Monthly (no later than the 10th day of each month)	(c) a detailed aging, by total, of each Borrower's Accounts, together with a reconciliation and supporting documentation for any reconciling items noted (delivered electronically in an acceptable format, if Borrowers have implemented electronic reporting), (d) a detailed calculation of those Accounts that are not eligible for the US Borrowing Base or Canadian Borrowing Base, if Borrowers have not implemented electronic reporting, (e) a detailed Inventory system/perpetual report together with a reconciliation to each Borrower's general ledger accounts (delivered electronically in an acceptable format, if Borrowers have implemented electronic reporting), (f) with respect to Inventory, such information with respect to the lower of cost or market as Agent may request, (g) a detailed calculation of Inventory categories that are not eligible for the US Borrowing Base or the Canadian Borrowing Base, if Borrowers have not implemented electronic reporting,

	(h) a summary aging, by vendor, of each Borrower's and its Subsidiaries' accounts payable and any book overdraft (delivered electronically in an acceptable format, if Borrowers have implemented electronic reporting) and an aging, by vendor, of any held checks,
	(i) a detailed report regarding each Borrower's and its Subsidiaries' cash and Cash Equivalents, including an indication of which amounts constitute Qualified Cash,
	(j) a detailed report identifying and calculating (i) Canadian PST (i.e. provincial sales tax) and Canadian GST (i.e. goods and service tax) and (ii) to the extent applicable, Canadian HST (i.e. harmonized sales tax), and
	(k) a monthly Account roll-forward, in a format acceptable to Agent in its discretion, tied to the beginning and ending account receivable balances of each Borrower's general ledger.
Monthly (no later than the 30th day of each month)	(l) a reconciliation of Accounts, trade accounts payable, and Inventory of each Borrower's general ledger accounts to its monthly financial statements including any book reserves related to each category.
Quarterly (no later than the 30th day of each quarter)	(m) a report regarding each Borrower's and its Subsidiaries' accrued, but unpaid, VAT, and
	(n) a report setting forth the following information with respect to the operations in Canada: (i) number of employees in Canada broken down between sales people and non-sales people, (ii) accrued payroll expenses, (iii) accrued employee expenses, (iv) post-retirement healthcare benefits, (v) post-retirement employee benefits and (vi) other post-employee benefits.

SCHEDULE 5.15
POST-CLOSING DELIVERIES

See the Post-Closing Letter Agreement by and among Agent and Borrowers dated as of the Effective Date.

SCHEDULE 6.7
CERTAIN CONTRACTUAL RESTRICTIONS

None.