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

FORM 10-Q

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

For the quarterly period ended: September 30, 2017
Or

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

For the transition period from: to

Commission File No.: 001-34634

ICU MEDICAL, INC.
(Exact name of Registrant as specified in its charter)

Delaware	**33-0022692**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
951 Calle Amanecer, San Clemente, California	**92673**
(Address of principal executive offices)	(Zip Code)

(949) 366-2183
(Registrant's telephone number including area code)

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

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

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

Large accelerated filer x	Accelerated filer o
Non-accelerated filer o	Smaller reporting company o
(Do not check if a smaller reporting company)	Emerging growth company o

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	**Outstanding at October 31, 2017**
Common	20,130,535

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

ICU MEDICAL, INC. AND SUBSIDIARIES
Form 10-Q
September 30, 2017

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PART I - FINANCIAL INFORMATION
Item1. Financial Statements (Unaudited)

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except par value data)

	September 30, 2017	December 31, 2016
	(Unaudited)	(1)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 300,614	$ 445,082
Short-term investment securities	9,591	—
TOTAL CASH, CASH EQUIVALENTS AND INVESTMENT SECURITIES	310,205	445,082
Accounts receivable, net of allowance for doubtful accounts of $3,256 at September 30, 2017 and $1,073 at December 31, 2016	105,090	56,161
Inventories	320,341	49,264
Income tax receivable	12,105	11,235
Prepaid expenses and other current assets	146,471	7,355
Assets held-for-sale	12,489	—
TOTAL CURRENT ASSETS	906,701	569,097
PROPERTY AND EQUIPMENT, net	390,526	85,696
LONG-TERM INVESTMENT SECURITIES	15,140	—
GOODWILL	6,687	5,577
INTANGIBLE ASSETS, net	152,338	22,383
DEFERRED INCOME TAXES	16,390	21,935
OTHER ASSETS	35,192	—
TOTAL ASSETS	$ 1,522,974	$ 704,688
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 44,685	$ 14,641
Accrued liabilities	146,147	25,896
Income tax liability	4,263	—
TOTAL CURRENT LIABILITIES	195,095	40,537
CONTINGENT EARN-OUT LIABILITY	32,000	—
LONG-TERM OBLIGATIONS	75,000	—
OTHER LONG-TERM LIABILITIES	68,034	1,107
DEFERRED INCOME TAXES	9,491	1,370
INCOME TAX LIABILITY	1,519	1,519
COMMITMENTS AND CONTINGENCIES	—	—
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, $1.00 par value Authorized—500 shares; Issued and outstanding— none	—	—
Common stock, $0.10 par value — Authorized, 80,000 shares; Issued and Outstanding, 20,021 shares at September 30, 2017 and 16,338 shares at December 31, 2016	2,002	1,633
Additional paid-in capital	607,694	162,828
Treasury stock, at cost	(2)	(14)
Retained earnings	535,919	516,980
Accumulated other comprehensive loss	(3,778)	(21,272)
TOTAL STOCKHOLDERS' EQUITY	1,141,835	660,155
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 1,522,974	$ 704,688

(1) December 31, 2016 balances were derived from audited consolidated financial statements.

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(In thousands, except per share data)

	Three months ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
REVENUE:				
Net sales	$ 343,084	$ 97,098	$ 921,544	$ 283,659
Other	152	10	945	25
TOTAL REVENUE	343,236	97,108	922,489	283,684
COST OF GOODS SOLD	231,638	45,835	633,884	133,046
GROSS PROFIT	111,598	51,273	288,605	150,638
OPERATING EXPENSES:				
Selling, general and administrative	76,820	22,362	226,812	66,828
Research and development	12,769	3,650	37,377	10,301
Restructuring, strategic transaction and integration	18,711	2,806	68,033	4,339
Change in fair value of earn-out	7,000	—	13,000	—
TOTAL OPERATING EXPENSES	115,300	28,818	345,222	81,468
(LOSS) INCOME FROM OPERATIONS	(3,702)	22,455	(56,617)	69,170
BARGAIN PURCHASE GAIN	8,534	346	71,771	1,456
INTEREST EXPENSE	(705)	(58)	(1,743)	(135)
OTHER INCOME (EXPENSE)	583	283	(2,030)	584
INCOME BEFORE INCOME TAXES	4,710	23,026	11,381	71,075
(PROVISION) BENEFIT FOR INCOME TAXES	(4,574)	(4,220)	7,558	(17,503)
NET INCOME	$ 136	$ 18,806	$ 18,939	$ 53,572
NET INCOME PER SHARE				
Basic	$ 0.01	$ 1.16	$ 0.97	$ 3.32
Diluted	$ 0.01	$ 1.09	$ 0.92	$ 3.13
WEIGHTED AVERAGE NUMBER OF SHARES				
Basic	19,984	16,200	19,433	16,113
Diluted	21,106	17,286	20,603	17,100

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(In thousands)

	Three months ended September 30,		Nine Months Ended September 30,	
	2017	**2016**	**2017**	**2016**
NET INCOME	$ 136	$ 18,806	$ 18,939	$ 53,572
Other comprehensive income, net of tax:				
Cash flow hedge adjustments, net of taxes of $82 and $(603) for the three and nine months ended September 30, 2017, respectively	(134)	—	985	—
Foreign currency translation adjustment, net of taxes of $0 and $(19) for the three months ended September 30, 2017 and 2016, respectively, and $56 and $394 for the nine months ended September 30, 2017 and 2016, respectively	5,833	700	16,747	2,532
Other adjustments, net of taxes of $0 for all periods	(90)	—	(238)	—
Other comprehensive income, net of taxes	5,609	700	17,494	2,532
TOTAL COMPREHENSIVE INCOME	$ 5,745	$ 19,506	$ 36,433	$ 56,104

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICU MEDICAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2017	**2016**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 18,939	$ 53,572
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	47,512	14,351
Provision for doubtful accounts	1,906	—
Provision for warranty and returns	3,639	(22)
Stock compensation	13,387	11,464
Loss on disposal of property and equipment	3,177	40
Bond premium amortization	12	1,026
Bargain purchase gain	(71,771)	(1,456)
Change in fair value of earn-out	13,000	—
Other	1,690	69
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable	(51,498)	4,736
Inventories	148,482	(6,635)
Prepaid expenses and other assets	(125,403)	(2,228)
Accounts payable	17,551	(1,587)
Accrued liabilities	63,234	(7,314)
Income taxes, including excess tax benefits and deferred income taxes	(13,982)	2,691
Net cash provided by operating activities	69,875	68,707
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(51,702)	(15,018)
Proceeds from sale of asset	2	1
Business acquisitions, net of cash acquired	(157,097)	(2,584)
Intangible asset additions	(3,718)	(861)
Purchases of investment securities	(24,743)	(111,575)
Proceeds from sale of investment securities	—	45,429
Net cash used in investing activities	(237,258)	(84,608)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from exercise of stock options	19,967	15,830
Proceeds from employee stock purchase plan	2,705	2,361
Purchase of treasury stock	(3,951)	(17,155)
Net cash provided by financing activities	18,721	1,036
Effect of exchange rate changes on cash	4,194	1,664
NET DECREASE CASH AND CASH EQUIVALENTS	(144,468)	(13,201)
CASH AND CASH EQUIVALENTS, beginning of period	445,082	336,164
CASH AND CASH EQUIVALENTS, end of period	$ 300,614	$ 322,963

The accompanying notes are an integral part of these condensed consolidated financial statements.

ICU MEDICAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
(In thousands)

	Nine months ended September 30,	
	2017	**2016**
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES:		
Accounts payable for property and equipment	$ 1,435	$ 595
Detail of acquisitions:		
Fair value of assets acquired	$ 893,582	$ 4,081
Cash paid for acquisitions, net of cash acquired	(157,097)	(2,584)
Non-cash seller note	(75,000)	—
Estimated working capital adjustment	7,512	—
Contingent consideration	(19,000)	—
Issuance of common stock	(413,139)	—
Bargain purchase gain	(71,771)	(1,456)
Goodwill	1,015	(775)
Liabilities assumed	$ 166,102	$ (734)

The accompanying notes are an integral part of these consolidated financial statements.

Note 1: Basis of Presentation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S.") and pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) and reflect all adjustments, consisting of only normal recurring adjustments, which are, in the opinion of management, necessary for a fair statement of the consolidated results for the interim periods presented. Results for the interim period are not necessarily indicative of results for the full year. Certain information and footnote disclosures normally included in annual consolidated financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Annual Report on Form 10-K of ICU Medical, Inc., ("ICU") a Delaware corporation, filed with the SEC for the year ended December 31, 2016.

We are engaged in the development, manufacturing and sale of innovative medical devices used in infusion therapy, and critical care markets. We sell the majority of our products through our direct sales force and through independent distributors throughout the U. S. and internationally. Additionally, we sell our products on an original equipment manufacturer basis to other medical device manufacturers. All subsidiaries are wholly owned and are included in the condensed consolidated financial statements. All intercompany balances and transactions have been eliminated.

Certain prior year amounts have been reclassified to conform to the current period’s presentation. These reclassifications had no impact on previously reported results of operations.

Note 2: New Accounting Pronouncements

Recently Adopted Accounting Standards

In July 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") No. 2015-11 Inventory (Topic 330): Simplifying the Measurement of Inventory. ASU 2015-11 changes the measurement of inventory within the scope of the ASU (e.g. FIFO or average cost) from lower of cost or market to lower of cost and net realizable value ("NRV"). NRV is defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Prior to the ASU, U.S. generally accepted accounting principles required an entity to measure inventory at the lower of cost or market. Market is measured using replacement cost unless it is above NRV (commonly referred to as “ceiling”) or below NRV less an approximately normal profit margin (commonly referred to as “floor”). For inventory within its scope, the ASU eliminates the notions of replacement cost and NRV less a normal profit margin, which is intended to simplify the accounting for inventory. The amendments are effective prospectively for the fiscal years, and interim reporting periods within those years, beginning on or after December 15, 2016. We adopted this ASU on January 1, 2017. This ASU did not have a material impact on our consolidated financial statements.

Recently Issued Accounting Standards

In August, 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities. The amendments in this update change both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results to facilitate financial reporting that more closely reflects an entity's risk management activities. The amendments in this update also make certain targeted improvements to simplify the application of hedge accounting guidance and ease the administrative burden of hedge documentation requirements and assessing hedge effectiveness. The amendments are effective for the fiscal years, and interim reporting periods within those years, beginning on or after December 15, 2018. For cash flow and net investment hedges existing at the date of adoption, an entity should apply a cumulative-effect adjustment related to eliminating the separate measurement of ineffectiveness to accumulated other comprehensive income with a corresponding adjustment to the opening balance of retained earnings as of the beginning of the fiscal year that an entity adopts the update. This ASU is not expected to have a material impact on our consolidated financial statements or related footnote disclosures.

In May 2017, the FASB issued ASU No. 2017-09, Compensation-Stock Compensation (Topic 718): Scope of Modification Accounting. The amendments in this update provide guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting. Under the ASU, an entity will account for the effects of a modification unless (i) the fair value of the modified award is the same as the fair value of the original award

immediately before the original award is modified, (ii) the vesting conditions of the modified award are the same vesting conditions as the original award immediately before the original award is modified, and (iii) the classification of the modified award as an equity instrument or a liability instrument is the same as the classification of the original award immediately before the original award is modified. The amendments in this ASU are effective prospectively for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. This ASU is not expected to have a material impact on our consolidated financial statements or related footnote disclosures.

In January 2017, the FASB issued ASU No. 2017-04, Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. The amendments in this update remove the second step of the impairment test. An entity will apply a one-step quantitative test and record the amount of goodwill impairment as the excess of a reporting unit's carrying amount over its fair value, not to exceed the total amount of goodwill allocated to the reporting unit. The new guidance does not amend the optional qualitative assessment of goodwill impairment. The amendments in ASU 2017-04 are effective for the annual or interim impairment test in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. This ASU is not expected to have a material impact on our consolidated financial statements or related footnote disclosures.

In January 2017, the FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business. The amendments in this update clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. The amendments in this update provide a screen to determine when a set (integrated set of assets and activities) is not a business. If the screen is not met, it (1) requires that to be considered a business, a set must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output and (2) removes the evaluation of whether a market participant could replace the missing elements. The amendments in ASU 2017-01 are effective for annual periods and interim periods within those annual periods beginning after December 15, 2017. The amendments in this ASU should be applied prospectively on or after the effective date. This ASU is not expected to have a material impact on our consolidated financial statements or related disclosures.

In October 2016, the FASB issued ASU No. 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory. Current generally accepted accounting principles prohibits the recognition of current and deferred income taxes for an intra-entity asset transfer until after the asset has been sold to an outside party. The amendments in ASU 2016-16 eliminates this prohibition, accordingly an entity should recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. Amendments in this update are effective for annual reporting periods beginning after December 15, 2017. Early adoption is permitted in the first interim period of an annual reporting period. The amendments should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. We are currently evaluating the impact of this ASU on the consolidated financial statements and related disclosures.

In August 2016, the FASB issued ASU No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 provides specific guidance on eight cash flow issues where current guidance is unclear or does not include any specifics on classification. The eight specific cash flow issues are: debt prepayment or debt extinguishment costs; settlement of zero-coupon debt instruments or other debt instruments with zero coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing; contingent consideration payments made after a business combination; proceeds from the settlement of insurance claims; proceeds from the settlement of corporate-owned life insurance policies, including bank-owned policies; distributions received from equity method investees; beneficial interests in securitization transactions; and separately identifiable cash flows and application of the predominance principle. The amendments in ASU 2016-15 are effective for annual periods and interim periods within those annual periods beginning after December 15, 2017. Early adoption is permitted. If adopted in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes the interim period. Amendments should be applied using a retrospective transition method to each period presented. This ASU is not expected to have a material impact on our consolidated financial statements or related disclosures.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This update amends the FASB's guidance on the impairment of financial instruments by requiring timelier recording of credit losses on loans and other financial instruments. The ASU adds an impairment model that is based on expected losses rather than incurred losses. The ASU also amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The amendments in this update will be effective for fiscal years beginning after December 15, 2019. Early adoption is permitted as of the fiscal years beginning after December

15, 2018. The updated guidance requires a modified retrospective adoption. We are currently evaluating the impact of this ASU on the consolidated financial statements and related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842). The amendments in this update require an entity to recognize a right-of-use asset and lease liability for all leases with terms of more than 12 months. Recognition, measurement and presentation of expenses will depend on classification as finance or operating lease. The amendments also require certain quantitative and qualitative disclosures about leasing arrangements. The amendments in this update will be effective for fiscal years beginning after December 15, 2019. Early adoption is permitted. The updated guidance requires a modified retrospective adoption. We are currently evaluating the impact of this ASU on the consolidated financial statements and related disclosures.

In January 2016, the FASB issued ASU No. 2016-01, Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities, which amends certain aspects of recognition, measurement, presentation and disclosure of financial instruments. This amendment requires all equity investments to be measured at fair value with changes in the fair value recognized through net income (other than those accounted for under the equity method of accounting or those that result in the consolidation of the investee). The amendments in this update will be effective for fiscal years beginning after December 15, 2017. Early adoption of the amendments is not permitted with the exception of the provision requiring the recognition in other comprehensive income the fair value change from instrument-specific credit risk measured using the fair value option for financial instruments. This ASU is not expected to have a material impact on our consolidated financial statements or related disclosures.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606). ASU 2014-09 removes inconsistencies and weaknesses in revenue requirements, provides a more robust framework for addressing revenue issues, improves comparability of revenue recognition practices across entities, industries, jurisdictions and capital markets, provides more useful information to users of financial statements through improved disclosure requirements and simplifies the preparation of financial statements by reducing the number of requirements to which an entity must refer. This guidance requires that an entity depict the consideration by applying a five-step analysis in determining when and how revenue is recognized. The new model will require revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration a company expects to receive in exchange for those goods or services. On April 1, 2015, the FASB voted for a one-year deferral of the effective date of the new revenue recognition standard, ASU 2014-09. On July 15, 2015, the FASB affirmed these changes, which requires public entities to apply the amendments in ASU 2014-09 for annual reporting beginning after December 15, 2017. Early adoption is permitted beginning after December 31, 2016, the original effective date in ASU 2014-09. Subsequent to the issuance of this ASU, the FASB issued three amendments: ASU No. 2016-08 which clarifies principal versus agent considerations; ASU 2016-10 which clarifies guidance related to identifying performance obligations and licensing implementation; and ASU 2016-12 which provides narrow-scope improvements and practical expedients. All of the amendments have the same effective dates mentioned above. We previously disclosed that we did not anticipate a material impact on our consolidated financial statements from adoption of any of the above. In light of the Hospira Infusion Systems ("HIS") acquisition we are still evaluating the impact of this ASU on our Infusion Systems revenue. We expect to have enhanced disclosures upon adoption of this ASU. We now expect to adopt the modified restrospective method when adopting this ASU.

Note 3: Acquisition, Strategic Transaction and Integration Expenses

Acquisitions

On February 1, 2017, we acquired 100% interest in Fannin (UK) Limited ("Fannin") for total consideration of approximately $1.5 million. Fannin provides infusion therapy consumable products to the healthcare sector in the United Kingdom and Ireland.

On February 3, 2017, we acquired 100% interest in Pfizer Inc.’s (“Pfizer”) HIS business for total cash consideration of approximately $260.0 million (net of estimated working capital adjustments paid at closing), which was financed with existing cash balances and a $75 million three-year interest-only seller note. We also issued 3.2 million shares of our common stock. The fair value of the common shares issued to Pfizer was determined based on the closing price of our common shares on the issuance date, discounted to reflect a contractual lock-up period whereby Pfizer cannot transfer the shares, subject to certain exceptions, until the earlier of (i) the expiration of Pfizer’s services to us in the related transitional services agreement or (ii) eighteen months from the closing date. Additionally, Pfizer also may be entitled up to an additional $225 million in cash contingent consideration based on the achievement of performance targets for the combined company for the three years ending December 31, 2019 ("Earnout Period"). In the event that the sum of our Adjusted EBITDA as defined in the Amended and

Restated Stock and Asset Purchase Agreement between us and Pfizer (the “HIS Purchase Agreement”) for the three years in the Earnout Period (the "Cumulative Adjusted EBITDA") is equal to or exceeds approximately $1 billion ("the "Earnout Target"), then Pfizer will be entitled to receive the full amount of the earnout. In the event that the Cumulative Adjusted EBITDA is equal to or greater than 85% of the Earnout Target (but less than the Earnout Target), Pfizer will be entitled to receive the corresponding percentage of the earnout. In the event that the Cumulative Adjusted EBITDA is less than 85% of the Earnout Target, then no earnout amount will be earned by Pfizer. The initial fair value of the earn-out was determined by employing a Monte Carlo simulation in a risk neutral framework. The underlying simulated variable was adjusted EBITDA. The adjusted EBITDA volatility estimate was based on a study of historical asset volatility for a set of comparable public companies. The model includes other assumptions including the market price of risk, which was calculated as the weighted average cost of capital ("WACC") less the long term risk free rate. We believe that the acquisition of the HIS business, which includes IV pumps, solutions and consumable devices complements our pre-existing business by creating a company that has a complete infusion therapy product portfolio. We believe that the acquisition significantly enhances our global footprint and platform for continued competitiveness and growth.

With the acquisition of HIS, pre-existing long-term supply and distribution contracts between ICU and HIS were effectively terminated.

Deferred Closings

In the HIS Purchase Agreement, we agreed with Pfizer to defer the local closing of the HIS business in certain foreign jurisdictions (the “Deferred Closing Businesses”) for periods ranging by jurisdiction from 3 to 12 months after the February 3, 2017 closing date (the "Deferred Closing Period"). The net assets in these jurisdictions represent an immaterial portion of the total HIS business net assets.

At the February 3, 2017 HIS business transaction closing, we entered into a Net Economic Benefit Agreement with Pfizer under which we agreed that (i) during the Deferred Closing Period, the economic benefits and burdens of the Deferred Closing Businesses are for our account, and we are to be treated as the beneficial owner of the Deferred Closing Businesses and (ii) Pfizer would continue to operate the Deferred Closing Businesses under our direction.

Preliminary Purchase Price

The following table summarizes the preliminary purchase price, subject to working capital adjustments, and the preliminary allocation of the purchase price related to the assets and liabilities purchased (in thousands):

Estimated cash consideration for acquired assets	$	177,527
Fair value of Seller Note		75,000
Preliminary fair value of contingent consideration payable to Pfizer (long-term)		19,000
Issuance of ICU Medical, Inc. common shares:		
Number of shares issued to Pfizer		3,200
Price per share (ICU's trading closing share price on the Closing Date)	$	140.75
Fair value of ICU shares issued to Pfizer	$	450,400
Less: Preliminary discount due to lack of marketability of 8.3%		(37,261)
Equity portion of purchase price		413,139
Total estimated consideration to be paid	$	684,666

Preliminary Purchase Price Allocation:		
Cash and cash equivalents	$	29,475
Trade receivables		362
Inventories		417,470
Prepaid expenses and other assets		17,255
Property and equipment		295,694
Intangible assets[(1)]		131,000
Other assets		31,283
Accounts payable		(12,381)
Accrued liabilities		(54,794)
Long-term liabilities[(2)]		(68,510)
Total identifiable net assets acquired	$	786,854
Deferred tax liability		(30,417)
Estimated Gain on Bargain Purchase		(71,771)
Estimated Purchase Consideration	$	684,666

[(1)] Preliminary identifiable intangible assets includes $48 million of customer relationships, $44 million of developed technology - pumps and dedicated sets, $34 million of developed technology - consumables, and $5 million of in-process research and development ("IPR&D"). The weighted amortization period for the total identifiable assets is approximately nine years, for customer relationships the weighted amortization period is eight years, for the developed technology - pumps and dedicated sets the weighted amortization period is ten years and for the developed technology - consumables the weighted amortization period is twelve years. The IPR&D has an indefinite life until the associated research and development efforts are complete.

[(2)] Preliminary long-term liabilities primarily consisted of contract liabilities, product liabilities and long-term employee benefits.

The fair value of the assets acquired and liabilities assumed exceeded the fair value of the consideration to be paid resulting in a bargain purchase gain. Before recognizing a gain on a bargain purchase, we reassessed the methods used in the purchase accounting and verified that we had identified all of the assets acquired and all of the liabilities assumed, and that there were no additional assets or liabilities to be considered. We also reevaluated the fair value of the contingent consideration transferred to determine that it was appropriate. We determined that the bargain purchase gain was primarily attributable to expected restructuring costs as well as a reduction to the initially agreed upon transaction price caused primarily by revenue shortfalls across all market segments of the HIS business, negative manufacturing variance due to the drop in revenue and higher operating and required stand up costs, when compared to forecasts of the HIS business at the time that the purchase price was agreed upon. After the continuing review of the product demand and operations of the HIS Business, including the resulting expected restructuring activities, we forecasted our estimated Adjusted EBITDA from the HIS business in 2017 to be

$35 million - $40 million, which is considerably lower than the forecast contemplated in initial negotiations with Pfizer, which resulted in an estimated fair value of $19 million related to the $225 million earn out. Restructuring costs, if incurred, would be expensed in future periods, see (Note 4: Restructuring Charges). The bargain purchase gain is separately stated below income from operations in the accompanying condensed consolidated statements of operations for the three and nine months ended September 30, 2017.

The above purchase price and purchase price allocation are preliminary and subject to future revision as the acquired assets and liabilities assumed are dependent upon the finalization of the related valuations.

The identifiable intangible assets and other long-lived assets acquired have been valued as Level 3 assets at fair market value. The estimated fair value of identifiable intangible assets were developed using the income approach and are based on critical estimates, judgments and assumptions derived from: analysis of market conditions; discount rate; discounted cash flows; royalty rates; customer retention rates; and estimated useful lives. Fixed assets were valued with the consideration of remaining economic lives. The raw materials inventory was valued at historical cost and adjusted for any obsolescence, the work in process was valued at estimated sales proceeds less costs to complete and costs to sell, and finished goods inventory was valued at estimated sales proceeds less costs to sell. The prepaid expenses and other current assets and assumed liabilities were recorded at their carrying values as of the date of the acquisition, as their carrying values approximated their fair values due to their short-term nature.

We did not disclose the proforma revenue and earnings information required by ASC 805, *Business Combinations* as preparation of the information was not practicable. The HIS business is a carve-out of Pfizer's business and the standalone data for the prior year reporting period was not available.

Strategic Transaction and Integration Expenses

We incurred and expensed $15.5 million and $49.0 million in transaction and integration costs during the three and nine months ended September 30, 2017, respectively primarily related to our acquisition of the HIS business. These costs primarily related to consulting, legal and the transitional service agreement. We incurred $2.4 million and $3.5 million in transaction costs during the three and nine months ended September 30, 2016, respectively. The transaction costs were related to initial costs incurred on our acquisition of HIS, to our 2015 acquisition of EXC Holding Corp. and to our second quarter 2016 acquisition of Tangent Medical Technologies, Inc.

Note 4: Restructuring Charges

During the nine months ended September 30, 2017, we incurred restructuring charges related to the acquisition of the HIS business (see Note 3: Acquisition, Strategic Transaction and Integration Expenses). The restructuring charges were incurred as a result of integrating the acquired operations into our business and include severance costs related to involuntary employee terminations and facility exit costs related to the closure of the Dominican Republic manufacturing facilities acquired from Pfizer. We expect to complete these restructuring activities by the end of 2017. All material charges in regard to these restructuring activities have been incurred as of September 30, 2017.

During the year ended December 31, 2015, we incurred restructuring charges related to an agreement with Dr. Lopez, a member of our Board of Directors and a former employee in our research and development department, pursuant to which we bought out Dr. Lopez's right to employment under his then-existing employment agreement. The buy-out, including payroll taxes, is paid in equal monthly installments until December 2020.

The following table summarizes the details of changes in our restructuring-related accrual for the period ending September 30, 2017 (in thousands):

	Accrued Balance December 31, 2016	Charges Incurred	Payments	Other Adjustments	Accrued Balance September 30, 2017
Severance pay and benefits	$ 53	$ 14,600	$ (12,010)	$ (17)	$ 2,626
Employment agreement buyout	1,477	—	(273)	—	1,204
Facility closure expenses	—	4,410	(2,458)	(1,952)	—
	$ 1,530	$ 19,010	$ (14,741)	$ (1,969)	$ 3,830

Note 5: Net Income Per Share

Basic earnings per share is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Diluted earnings per share is computed by dividing net income by the weighted-average number of common shares outstanding during the period plus dilutive securities. Dilutive securities include outstanding common stock options and unvested restricted stock units, less the number of shares that could have been purchased with the proceeds from the exercise of the options, using the treasury stock method. Options that are anti-dilutive, where their exercise price exceeds the average market price of the common stock are not included in the treasury stock method calculation. There were 48 and 590 anti-dilutive securities for the three and nine months ended September 30, 2017, respectively. There were no anti-dilutive securities for the three and nine months ended September 30, 2016.

The following table presents the calculation of net earnings per common share (“EPS”) — basic and diluted (in thousands, except per share data):

	Three months ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net income	$ 136	$ 18,806	$ 18,939	$ 53,572
Weighted-average number of common shares outstanding (for basic calculation)	19,984	16,200	19,433	16,113
Dilutive securities	1,122	1,086	1,170	987
Weighted-average common and common equivalent shares outstanding (for diluted calculation)	21,106	17,286	20,603	17,100
EPS — basic	$ 0.01	$ 1.16	$ 0.97	$ 3.32
EPS — diluted	$ 0.01	$ 1.09	$ 0.92	$ 3.13

Note 6: Derivatives And Hedging Activities

Hedge Accounting and Hedging Program

During the second quarter of 2017, we implemented a cash flow hedging program. The purpose of our hedging program is to manage the foreign currency exchange rate risk on forecasted expenses denominated in currencies other than the functional currency of the operating unit. We do not issue derivatives for trading or speculative purposes.

In May 2017, we entered into a two-year cross-currency par forward contract to hedge a portion of our Mexico forecasted expenses denominated in Pesos ("MXN"). To receive hedge accounting treatment, all hedging relationships are formally documented at the inception of the hedge, and the hedges must be highly effective in offsetting changes to future cash flows on hedged transactions. The par forward contract is designated and qualifies as a cash flow hedge. Our derivative instrument is recorded at fair value on the condensed consolidated balance sheets and is classified based on the instrument's maturity date. We record changes in the intrinsic value of the effective portion of the gain or loss on the derivative instrument as a component of Other Comprehensive Income and we reclassify that gain or loss into earnings in the same line item associated with the forecasted transaction and in the same period during which the hedged transaction affects earnings. Any gain or loss on the derivative instrument due to ineffectiveness of the hedge will be recognized in the Condensed Consolidated Statements of Operations during the current period. The total notional amount of our outstanding derivative as of September 30, 2017 was approximately 600.3 million MXN. The term of our currency forward contract is May 1, 2017 to May

1, 2019. The derivative instrument matures in equal monthly amounts at a fixed forward rate of 20.01MXN/USD over the term of the two-year contract.

The following table presents the fair values of our derivative instrument included within the Condensed Consolidated Balance Sheet as of September 30, 2017 and December 31, 2016 (in thousands):

	Asset Derivatives		
	Condensed Consolidated Balance Sheet Location	September 30, 2017	December 31, 2016
Derivatives designated as cash flow hedging instruments			
Foreign exchange forward contract:	Prepaid expenses and other current assets	$ 1,279	$ —
	Other assets	309	—
Total derivatives designated as cash flow hedging instruments		$ 1,588	$ —

The following table presents the amounts affecting the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2017 and 2016 (in thousands):

	Line Item in the Condensed Consolidated Statements of Operations	Three months ended September 30,		Nine Months Ended September 30,	
		2017	2016	2017	2016
Derivatives designated as cash flow hedging instruments					
Foreign exchange forward contracts	Cost of goods sold	$ 534	—	$ 556	—

We recognized the following gains on our foreign exchange contract designated as a cash flow hedge (in thousands):

	Amount of Gain Recognized in Other Comprehensive Income on Derivatives		Amount of Gain Reclassified From Accumulated Other Comprehensive Income into Income		
	Three months ended September 30,			Three months ended September 30,	
	2017	2016	Location of Gain Reclassified From Accumulated Other Comprehensive Income into Income	2017	2016
Derivatives designated as cash flow hedges:					
Foreign exchange forward contract	$ 318	$ —	Cost of goods sold	$ 534	$ —
Total derivatives designated as cash flow hedging instruments	$ 318	$ —		$ 534	$ —

As of September 30, 2017, we expect approximately $1.3 million of the deferred gains on the outstanding derivatives in accumulated other comprehensive income to be reclassified to net income during the next 12 months concurrent with the underlying hedged transactions also being reported in net income.

	Amount of Gain Recognized in Other Comprehensive Income on Derivatives		Amount of Gain Reclassified From Accumulated Other Comprehensive Income into Income		
	Nine Months Ended September 30,			Nine Months Ended September 30,	
	2017	2016	Location of Gain Reclassified From Accumulated Other Comprehensive Income into Income	2017	2016
Derivatives designated as cash flow hedges:					
Foreign exchange forward contract	$ 2,144	$ —	Cost of goods sold	$ 556	$ —
Total derivatives designated as cash flow hedging instruments	$ 2,144	$ —		$ 556	$ —

Note 7: Fair Value Measurement

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. There are three levels of inputs that may be used to measure fair value:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or
- Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities.

During the first quarter of 2017, we recognized an earn-out liability upon the acquisition of HIS from Pfizer. Pfizer may be entitled up to $225 million in cash if certain performance targets for the combined company for the three years ending December 31, 2019 are achieved. The initial fair value of the earn-out was determined by employing a Monte Carlo simulation in a risk neutral framework. The underlying simulated variable was adjusted EBITDA. The adjusted EBITDA volatility estimate was based on a study of historical asset volatility for a set of comparable public companies. The model includes other assumptions including the market price of risk, which was calculated as the weighted average cost of capital ("WACC") less the long term risk free rate. The initial value assigned to the contingent consideration was a result of forecasted product demand of our HIS business, as discussed further in Note 3: Acquisition, Strategic Transaction and Integration Expenses. At each reporting date subsequent to the acquisition we will remeasure the earn-out using the same methodology above and recognize any changes in value. If the probability of achieving the performance target significantly changes from what we initially anticipated, the change could have a significant impact on our financial statements in the period recognized. Our contingent earn-out liability is separately stated in our condensed consolidated balance sheets.

The following table provides a reconciliation of the Level 3 earn-out liability measured at estimated fair value based on an initial valuation and updated quarterly for the nine months ended September 30, 2017 (in thousands):

	Earn-out Liability
Accrued balance, December 31, 2016	$ —
Acquisition date fair value estimate of earn-out	19,000
Change in fair value of earn-out (included in (loss) income from operations as a separate line item)	13,000
Accrued balance, September 30, 2017	$ 32,000

The fair value of the earn-out at September 30, 2017 changed from the fair value calculated at acquisition due to a change in the forecast of the underlying target, adjusted EBITDA, and due to changes in other assumptions used in the Monte Carlo simulation, as detailed in the below table.

The following table provides quantitative information about Level 3 inputs for fair value measurement of our earn-out liability as of the acquisition date and September 30, 2017. Significant increases or decreases in these inputs in isolation could result in a significant impact on our fair value measurement:

Simulation Input	As of September 30, 2017	At Acquisition February 3, 2017
Adjusted EBITDA Volatility	28.00%	29.00%
WACC	9.00%	10.00%
20-year risk free rate	2.63%	2.82%
Market price of risk	6.18%	6.93%
Cost of debt	3.94%	4.16%

The fair value of our investments is estimated using observable market based inputs such as quoted prices, interest rates and yield curves or Level 2 inputs, which consisted of corporate bonds.

The fair value of our Level 2 forward currency contract is estimated using observable market inputs such as known notional value amounts, spot and forward exchange rates. These inputs relate to liquid, heavily traded currencies with active markets which are available for the full term of the derivative.

The assets related to our Dominican Republic manufacturing facilities are classified as assets held-for-sale. These assets are separately stated in our condensed consolidated balance sheet. The fair value of these Level 3 assets was determined as part of the HIS business valuation and was based on a market approach using comparable building and land sales data and the analysis of market conditions.

There were no transfers between Levels during the three and nine months ended September 30, 2017.

Our assets and liabilities measured at fair value on a recurring basis consisted of the following (Level 1, 2 and 3 inputs as defined above) (in thousands):

	Fair value measurements at September 30, 2017			
	Total carrying value	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
Assets:				
Available for sale securities:				
Short-term	$ 9,591	$ —	$ 9,591	$ —
Long-term	15,140	—	15,140	—
Foreign exchange forwards:				
Prepaid expenses and other current assets	1,279	—	1,279	—
Other assets	309	—	309	—
Total Assets	$ 26,319	$ —	$ 26,319	$ —
Liabilities:				
Earn-out liability	$ 32,000	$ —	$ —	$ 32,000
Total Liabilities	$ 32,000	$ —	$ —	$ 32,000

Our assets measured at fair value on a nonrecurring basis consisted of the following (Level 1, 2 and 3 inputs as defined above) (in thousands):

	Fair value measurements at September 30, 2017 using			
	Total carrying value	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
Assets:				
Assets held-for-sale	$ 12,489	$ —	$ —	$ 12,489
Total Assets	$ 12,489	$ —	$ —	$ 12,489

Note 8: Investment Securities

Our investment securities currently consist of short-term and long-term corporate bonds. Our investment securities are considered available-for-sale and are “investment grade” and carried at fair value. There have been no realized gains or losses on their disposal. Our available-for-sale securities are recorded at amortized cost, which approximates fair value, when material, unrealized gains and losses on available-for-sale securities, net of tax, are included in accumulated other comprehensive loss in the stockholders' equity section of our condensed consolidated balance sheets. The amortized cost of the debt securities are adjusted for the amortization of premiums computed under the effective interest method. Such amortization is included in investment income in other income on our condensed consolidated statements of income. The scheduled maturities of the debt securities are between 2018 and 2020. All short-term investment securities are all callable within one year.

Our short and long-term investment securities consisted of the following at September 30, 2017 (in thousands):

	Amortized Cost	Unrealized Losses	Estimated Fair Value
Short-term corporate bonds	$ 9,591	$ (16)	$ 9,575
Long-term corporate bonds	15,140	(86)	15,054
Total investment securities	$ 24,731	$ (102)	$ 24,629

Note 9: Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following (in thousands):

	September 30, 2017	December 31, 2016
Third-party receivables due from Pfizer	$ 85,376	$ —
Prepaid and other expenses - HIS business acquisition related	46,241	—
Prepaid expenses - other	8,633	2,948
Prepaid insurance and property taxes	1,401	1,649
VAT/GST receivable	3,602	1,018
Other	1,218	1,740
	$ 146,471	$ 7,355

Third-party receivables due from Pfizer relates to trade accounts receivable that has already been collected from customers by Pfizer on our behalf.

Note 10: Inventories

Inventories consisted of the following (in thousands):

	September 30, 2017	December 31, 2016
Raw material	$ 74,356	$ 28,435
Work in process	63,970	4,415
Finished goods	182,015	16,414
Total inventories	$ 320,341	$ 49,264

During the quarter ended March 31, 2017, we adopted ASU No. 2015-11, accordingly inventories are stated at lower of cost or net realizable value (see Note 2: New Accounting Pronouncements).

Note 11: Property and Equipment

Property and equipment consisted of the following (in thousands):

	September 30, 2017	December 31, 2016
Machinery and equipment	$ 242,619	$ 96,536
Land, building and building improvements	198,639	63,524
Molds	50,819	39,014
Computer equipment and software	42,002	26,458
Furniture and fixtures	4,174	3,243
Construction in progress	49,788	15,180
Total property and equipment, cost	588,041	243,955
Accumulated depreciation	(197,515)	(158,259)
Property and equipment, net	$ 390,526	$ 85,696

Depreciation expense was $14.0 million and $36.6 million for the three and nine months ended September 30, 2017, respectively, and $4.0 million and $12.3 million for the three and nine months ended September 30, 2016, respectively.

Note 12: Goodwill and Intangible Assets, Net

Goodwill

The following table presents the changes in the carrying amount of our goodwill for 2017 (in thousands):

	Total
Balance as of December 31, 2016	$ 5,577
Goodwill acquired	1,015
Currency translation	95
Balance as of September 30, 2017	$ 6,687

The acquired goodwill relates to our February 1, 2017 acquisition of Fannin (see Note 3: Acquisition, Strategic Transaction and Integration Expenses).

Intangible Assets, Net

Intangible assets, carried at cost less accumulated amortization and amortized on a straight-lined basis, were as follows (in thousands):

	Weighted Average Amortization Life in Years	September 30, 2017		
		Cost	Accumulated Amortization	Net
Patents	10	$ 16,603	$ 10,699	$ 5,904
Customer contracts	10	11,406	4,797	6,609
Non-contractual customer relationships	9	55,080	4,944	50,136
Trademarks	4	425	425	—
Trade name	15	7,310	975	6,335
Developed technology	11	81,801	5,654	76,147
Total definite-lived intangible assets		$ 172,625	$ 27,494	$ 145,131
Indefinite-lived IPR&D		7,207	—	7,207
Total intangible assets		$ 179,832	$ 27,494	$ 152,338

	Weighted Average Amortization Life in Years	December 31, 2016		
		Cost	Accumulated Amortization	Net
Patents	10	$ 14,423	$ 9,326	$ 5,097
MCDA contract *	10	8,571	8,571	—
Customer contracts	9	5,319	4,512	807
Non-contractual customer relationships	15	7,080	590	6,490
Trademarks	4	425	425	—
Trade name	15	7,310	609	6,701
Developed technology	10	3,797	509	3,288
Total		$ 46,925	$ 24,542	$ 22,383

*MCDA contract: Manufacturing, Commercialization and Development Agreement with Hospira, Inc., dated May 1, 2005 (the "MCDA"). The MCDA was terminated in connection with the acquisition of the HIS business on February 3, 2017.

Intangible assets with definite lives are amortized on a straight-line basis over their estimated useful lives. During the three and nine months ended September 30, 2017, intangible asset amortization expense was $3.6 million and $10.9 million, respectively, as compared to $0.7 million and $2.1 million during the three and nine months ended September 30, 2016, respectively.

As of September 30, 2017 estimated annual amortization for our intangible assets for each of the next five years is approximately (in thousands):

Remainder of 2017	$ 4,218
2018	16,353
2019	15,938
2020	15,798
2021	15,716
Thereafter	77,108
Total	$ 145,131

Note 13: Accrued Liabilities and Other Long-term Liabilities

Accrued liabilities consist of the following (in thousands):

	September 30, 2017	December 31, 2016
Salaries and benefits	$ 50,964	$ 5,702
Incentive compensation	26,014	7,912
Accrued product field action	15,225	—
Third-party inventory	3,008	—
Sales taxes	339	1,472
Restructuring accrual	3,002	423
Accrued insurance	3,857	—
Deferred revenue	5,937	18
Accrued professional fees	8,945	—
Legal accrual	2,567	4,177
Accrued marketing	2,125	—
Outside commissions	2,822	1,141
Warranties and returns	1,335	—
Acquisition-related accrual	—	2,750
Other	20,007	2,301
	$ 146,147	$ 25,896

Other long-term liabilities consist of the following (in thousands):

	September 30, 2017	December 31, 2016
Contract liabilities	$ 54,642	$ —
Deferred revenue	5,787	—
Benefits	3,738	1,107
Product liability	3,102	—
Other	765	—
	$ 68,034	$ 1,107

Note 14: Income Taxes

Income taxes were accrued at an estimated effective tax rate of (66)% and 25% for the nine months ended September 30, 2017 and 2016, respectively. Those rates differ from that computed at the federal statutory rate of 35%.

The effective tax rate for the nine months ended September 30, 2017 differs from the federal statutory rate of 35% principally because of the effect the mix of U.S. and foreign incomes, state income taxes, tax credits and the impact of the gain on bargain purchase. The effective tax rate during the nine months ended September 30, 2017 also included a material tax benefit of $12.6 million related to the excess tax benefits recognized on stock option exercises and the vesting of restricted stock units during the period, which is treated as a discrete item and excluded from determining our annual estimated effective tax rate.

The effective tax rate for the nine months ended September 30, 2016 differs from the federal statutory rate of 35% principally because of the effect of foreign and state income taxes, tax credits and deductions for domestic production activities. The effective tax rate during the nine months ended September 30, 2016 also included a material tax benefit of $6.6 million related to the excess tax benefits recognized on stock option exercises and the vesting of restricted stock units during the period, which is treated as a discrete item and excluded from determining our annual estimated effective tax rate.

Note 15: Long-Term Obligations

3-Year Interest-Only Senior Note

On February 3, 2017, we partially funded the acquisition of the HIS business from Pfizer with a $75 million Seller Note issued by Pfizer (the "Senior Note") contemporaneous with the acquisition. The Senior Note will mature on February 3, 2020.

Long-term obligations consisted of the following at September 30, 2017 (in thousands):

	September 30, 2017
Senior Note matures in 2020, variable interest rate	$ 75,000
Less: current portion of long-term obligations	—
Long-term obligations, net	$ 75,000

Principal payments

As of September 30, 2017, aggregate future principal payments for long-term obligations (including any current portion of long-term debt) were as follows (in thousands):

Years Ending	
2017	$ —
2018	—
2019	—
2020	75,000
Thereafter	—
Total	$ 75,000

The Senior Note is not subject to any required principal payments prior to the maturity date. We may, at our option, upon notice prepay without penalty at any time all, or from time to time any part of, this senior note at 100% of the principal amount, plus accrued but unpaid interest through the repayment date.

Interest rate

Interest on the Senior Note is variable and will accrue at LIBOR plus (i) 2.25% per year for the first 12 months, and (ii) 2.50% per annum thereafter. Interest is to be paid every three months following the February 3, 2017 effective date of the Senior Note.

Guarantors

Our obligations under the Senior Note are unconditionally guaranteed by each of our existing and subsequently acquired or formed wholly-owned domestic subsidiaries, subject to certain exclusions.

Debt Covenants

The Senior Note has restrictions, beginning on the effective date and thereafter, pertaining to limitations on debt, liens, loans, advances, acquisitions, other investments, dividends, redemptions, repurchases of equity interests, fundamental changes in the line of business, dispositions, transactions with affiliates, dividend and payment restrictions affecting subsidiaries, changes in line of business and accounting changes or change in fiscal year.

Note 16: Stockholders' Equity

Common Stock

On February 3, 2017, we acquired the HIS business from Pfizer and as partial consideration, we issued 3.2 million unregistered shares of our common stock to Pfizer. The fair value of the common stock was determined based on the closing price of our common shares on the issuance date, discounted to reflect a contractual lock-up period, whereby Pfizer is prohibited from the transfer of the shares, subject to certain exceptions, until the earlier of (i) the expiration of Pfizer's services to us in the related transitional services agreement (see Note 18: Collaborative and Other Arrangements) or (ii) eighteen months.

Treasury Stock

In July 2010, our Board of Directors approved a common stock purchase plan to purchase up to $40.0 million of our common stock. This plan has no expiration date. During the three and nine months ended September 30, 2017, we did not purchase any shares of our common stock under the stock purchase plan. As of September 30, 2017, the remaining authorized amount under this purchase plan is approximately $7.2 million. We are currently limited on share purchases in accordance with the terms and conditions of our Senior Note with Pfizer, (see Note 15: Long-Term Obligations).

For the nine months ended September 30, 2017, we withheld 27,129 shares of our common stock from employee vested restricted stock units in consideration for $4.0 million in payments made on the employee's behalf for their minimum statutory income tax withholding obligations. Treasury stock is used to issue shares for stock option exercises, restricted stock grants and employee stock purchase plan stock purchases.

Accumulated Other Comprehensive Income (Loss)

The components of AOCI, net of tax, were as follows (in thousands):

	Foreign Currency Translation Adjustments	Unrealized Gains on Cash Flow Hedges	Other Adjustments	Total
Balance as of December 31, 2016	$ (21,272)	$ —	$ —	$ (21,272)
Other comprehensive income (loss) before reclassifications	16,747	1,329	(238)	17,838
Amounts reclassified from AOCI	—	(344)	—	(344)
Other comprehensive income (loss)	16,747	985	(238)	17,494
Balance as of September 30, 2017	$ (4,525)	$ 985	$ (238)	$ (3,778)

Note 17: Commitments and Contingencies

Legal Proceedings

Beginning in November 2016, purported class actions were filed in the U.S. District Court for the Northern District of Illinois against Pfizer subsidiaries, Hospira, Inc., Hospira Worldwide, Inc. and certain other defendants relating to the intravenous saline solutions part of the HIS business. Plaintiffs seek to represent classes consisting of all persons and entities in the U.S. who directly purchased intravenous saline solution sold by any of the defendants from January 1, 2013 until the time the defendants' allegedly unlawful conduct ceases. Plaintiffs allege that the defendants' conduct restricts output and artificially fixes, raises, maintains and/or stabilizes the prices of intravenous saline solution sold throughout the U.S. in violation of federal antitrust laws. Plaintiffs seek treble damages (for themselves and on behalf of the putative classes) and an injunction against defendants for alleged price overcharges for intravenous saline solution in the U.S. since January 1, 2013. On February 3, 2017, we completed the acquisition of the HIS business from Pfizer. This litigation is the subject of a claim for indemnification against us by Pfizer and a cross-claim for indemnification against Pfizer by us under the HIS Purchase Agreement.

In addition, in August 2015, the New York Attorney General issued a subpoena to Hospira, Inc. requesting that the company provide information regarding certain business practices in the intravenous solutions part of the HIS business.

Separately, in April 2017, we received a grand jury subpoena issued by the United States District Court for the Eastern District of Pennsylvania, in connection with an investigation by the U.S. Department of Justice, Antitrust Division. The subpoena calls for production of documents related to the manufacturing, selling, pricing and shortages of intravenous solutions, including saline, as well as communications among market participants regarding these issues. The Department of Justice investigation is the subject of cross-claims for indemnification by both us and Pfizer under the HIS Purchase Agreement. We will coordinate with Pfizer to produce records to the New York Attorney General and the Department of Justice.

From time to time, we are involved in various legal proceedings, most of which are routine litigation, in the normal course of business. Our management does not believe that the resolution of the unsettled legal proceedings that we are involved with will have a material adverse impact on our financial position or results of operations.

Off Balance Sheet Arrangements

In the normal course of business, we have agreed to indemnify our officers and directors to the maximum extent permitted under Delaware law and to indemnify customers as to certain intellectual property matters or other matters related to sales of our products. There is no maximum limit on the indemnification that may be required under these agreements. Although we can provide no assurances, we have never incurred, nor do we expect to incur, any material liability for indemnification.

Contingencies

We have a contractual earn-out arrangement in connection with our acquisition of the HIS business, whereby Pfizer may be entitled up to an additional $225 million in cash upon achievement of performance targets for the company for the three years ending December 31, 2019, see (Note 3: Acquisition, Strategic Transaction and Integration Expenses). The amount to be paid cannot be determined until the earn-out period has expired.

Commitments

As part of the HIS business acquisition, we assumed a number of non-cancellable operating office and industrial leases. Rental expense under operating lease agreements was $2.3 million and $5.3 million for the three and nine months ended September 30, 2017, respectively, and $0.2 million and $0.4 million for the three and nine months ended September 30, 2016, respectively.

We also entered into the Senior Note with Pfizer to partially fund the HIS business acquisition (see Note 15: Long-Term Obligations).

The following table summarizes our principal contractual commitments, excluding open orders for purchases that support normal operations, as of September 30, 2017 (in thousands):

	Payments Due By Period						
	Total	Remainder of 2017	2018	2019	2020	2021	Thereafter
Long-term debt obligations	$ 75,000	$ —	$ —	$ —	$ 75,000	$ —	$ —
Interest payments on long-term debt obligations	7,475	763	3,198	3,215	299	—	—
Operating lease obligations	33,763	2,638	9,208	5,769	3,378	3,219	9,551
Purchase obligations[1]	97,970	5,513	4,477	14,005	34,757	39,218	—
Total contractual obligations	$ 214,208	$ 8,914	$ 16,883	$ 22,989	$ 113,434	$ 42,437	$ 9,551

[1] Purchase obligations includes agreements to purchase goods that are enforceable and legally binding. These amounts are not accrued as of September 30, 2017.

Note 18: Collaborative and Other Arrangements

On February 3, 2017, we entered into two Manufacturing and Supply Agreements ("MSA's"), (i) whereby Pfizer will manufacture and supply us with certain agreed upon products for an initial five-year term with a one-time two-year option to extend and (ii) whereby we will manufacture and supply Pfizer certain agreed upon products for a term of five or ten years depending on the product, also with a one-time two-year option to extend. The MSA's provide each party with mutually beneficial interests and both of the MSA's are to be jointly managed by both Pfizer and ICU. The initial supply price, which will be annually updated, is in full consideration for all costs associated with the manufacture, documentation, packaging and certification of the products.

On February 3, 2017, as part of the HIS business acquisition, we entered into an agreement with Pfizer, whereby Pfizer will provide certain transitional services to us for finance, business technology, regulatory, human resources, global operations, procurement, quality and global commercial operation services ("Enabling Function Services"). We pay a monthly service fee for each service provided, and share equally with Pfizer in certain set-up costs and, as applicable, service exit costs. Our share of the set-up costs and service exit costs, in the aggregate, are not to exceed $22.0 million. The service fees are subject to a fee cap of (i) $62.5 million during the initial twelve month period and (ii) $31.3 million during the subsequent six month period. Only the Enabling Function Services are subject to the fee cap, any services provided after expiration of the agreement or services that are not Enabling Function Services may result in service fees outside the fee cap. The service fees are intended to reasonably approximate Pfizer’s cost of providing the Enabling Function Services. We may terminate, in whole only, any particular service and the fee cap would be reduced proportionate to the services terminated. Partial reduction in the provision of any specific service may be made but only with the prior written consent of Pfizer.

On February 3, 2017, as part of the HIS business acquisition, we also entered into a reverse transitional services agreement, where we will provide to Pfizer certain transitional services ranging in term from three to eighteen months. Services include support for real estate, research and development, infrastructure, logistics, quality, site operations, safety, commercial and finance, and regulatory support services.

Note 19: Subsequent Events

On November 8, 2017, we entered into a new five-year Senior Secured Revolving Credit Facility ("Credit Facility") with various lenders for $150 million, with Wells Fargo Bank, N.A. as the administrative agent. The Credit Facility has an accordion feature that would enable us to increase the borrowing capacity of the credit facility by the greater of (i) $100 million and (ii) 2.00x Total Leverage. Under the terms of the facility we will be subject to certain financial covenants pertaining to leverage and fixed charge coverage ratios. Borrowings under the Credit Facility will bear interest at LIBOR plus an applicable margin tied to the leverage ratio in effect. The unused portion of the Credit Facility will be subject to a per annum commitment fee which is also calculated using the leverage ratio in effect.

On November 8, 2017, we fully repaid the $75 million in outstanding principal under the senior note payable to Pfizer.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following information should be read in conjunction with the condensed consolidated financial statements and accompanying notes in this Form 10-Q, as well as the audited consolidated financial statements and related notes for the fiscal year ended December 31, 2016 included in our Annual Report on Form 10-K.

When used in this report, the terms “we,” “us,” and “our” refer to ICU Medical, Inc ("ICU") and its subsidiaries included in our condensed consolidated financial statements unless context requires otherwise.

Overview

Our Business After the Hospira Infusion Systems Acquisition

On February 3, 2017, we completed the acquisition of Pfizer Inc.'s ("Pfizer") Hospira Infusion Systems ("HIS") business. See "Acquisitions" below for additional detail regarding the acquisition. HIS was a leading global provider of intravenous ("IV") infusion therapy products to hospitals and alternate site providers, such as clinics, home health care providers and long-term care facilities. Our acquisition of the HIS business was strategic and provides us with an increase in scale and product portfolio that we believe will result in a stronger competitive position within the industry. We believe the

HIS business acquisition was the natural evolution for us based on a long-term successful and productive partnership with HIS for over 20 years.

As a result of the HIS business acquisition, we are one of the world's leading pure-play infusion therapy companies with global operations and a wide-ranging product portfolio that includes IV solutions, IV smart pumps with pain management and safety software technology, dedicated and non-dedicated IV sets and needlefree connectors designed to help meet clinical, safety and workflow goals. In addition, we manufacture automated pharmacy IV compounding systems with workflow technology, closed systems transfer devices for preparing and administering hazardous IV drugs, and cardiac monitoring systems for critically ill patients.

The following information is in addition to and not a substitute for the Business section under Part 1, Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2016 and should be read in conjunction with that filing.

Manufacturing Changes

With the acquisition of the HIS business, we now operate an infusion pump and dedicated set manufacturing plant in La Aurora de Heredia, Costa Rica, which manufactures key products that include large volume pumps ("LVP"), patient-controlled analgesia ("PCA") pumps (among others, the Plum™ and LifeCare PCA™), and consumable infusion products. The Sapphire™ family of pumps are manufactured by Q Core Medical, Ltd. We also operate manufacturing facilities in San Cristobal, Dominican Republic, which has key products that include consumable infusion sets and other IV accessories. We are in the process of closing the Dominican Republic facilities and transferring assets and production to Costa Rica and to our plant in Ensenada, Mexico.

We manufacture infusion therapy solutions products in Austin, Texas.

In addition, we have four main regional device service centers in San Jose, California; Sligo, Ireland; San Laurent, Quebec, Canada; and Botany, Australia.

On February 3, 2017, as part of our HIS business acquisition, we also entered into two Manufacturing and Supply Agreements ("MSAs") under which, (i) Pfizer manufactures and supplies us with certain agreed upon products for an initial five-year term with a one-time two-year option to extend and (ii) whereby we manufacture and supply Pfizer certain agreed upon products for a term of five or ten years depending on the product, with a one-time two-year option to extend. The initial supply price will be annually updated and is in full consideration for all costs associated with the manufacture, documentation, packaging and certification of the products.

Distribution Changes

The U.S. distribution of solutions, IV sets and accessories is supported by a network of three owned distribution centers acquired in the HIS business acquisition, which include King of Prussia, Pennsylvania; Los Angeles, California; and Dallas, Texas. We also assumed a number of agreements with third-party public warehouse providers.

We also acquired as part of the HIS business a private fleet of tractors and trailers operated by contracted drivers that provide both over the road and local route needs.

Internationally, we manage our operations through the Netherlands, which utilizes international regional hubs and we also manage operations through independent distributors.

Government Regulation Changes

The acquisition of our solutions product-line and the entry into new global markets subjects us to additional government regulation across multiple jurisdictions.

Drug Regulation in the U.S.

In the United States, IV solutions are considered pharmaceutical products and subject to extensive pre- and post-market regulations by the Food and Drug Administration ("FDA"), including the research, development, testing, manufacturing, approval, labeling, storage, record keeping, advertising, promotion and marketing, distribution, post approval monitoring and reporting and import and export of drugs to assure the safety and effectiveness of medical products for their intended use.

The pre-market approval process is a time-intensive multi-phased process. When successfully completed an application may be submitted to the FDA that includes detailed information relating to the product's chemistry, manufacture, controls and proposed labeling, among other things. This application process may be subject to substantial fees.

FDA approval is typically required before any new drug can be marketed. A New Drug Application ("NDA"), or an Abbreviated New Drug Application ("ANDA"), is typically required to be submitted to the FDA to obtain approval of pharmaceutical products.

Before approval, the FDA typically will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and are adequate to assure consistent production of the product within required specifications. Additionally, the FDA may inspect one or more clinical trial sites to assure compliance with good clinical practice, or GCP, requirements.

Even after a drug or device has been approved by the FDA for sale, the FDA may require that certain post-approval requirements be satisfied, including the conduct of additional clinical studies. If such post-approval conditions are not satisfied, the FDA may withdraw its approval of the drug. After the FDA permits a drug to enter commercial distribution, numerous regulatory requirements continue to apply. The production, distribution, and post market activities are subject to the FDA current Good Manufacturing Practices ("cGMP") requirements. FDA will typically conduct inspections of the manufacturing facilities.

Device Regulations in Various Markets.

In the United States, unless an exemption applies, each new or significantly modified medical device we seek to commercially distribute will require either a premarket notification to the FDA requesting permission for commercial distribution under Section 510(k) of the Federal Food, Drug and Cosmetic Act ("FDC Act") also referred to as a 510(k) clearance, or approval from the FDA of a pre-market approval ("PMA") application. Both the 510(k) clearance and PMA processes can be expensive, and lengthy, and require payment of significant user fees, unless an exemption is available.

FDA device regulations include device design, production, distribution and post market activities. To market the devices in Canada, Australia, the European Union, and other regions, devices typically are subject to the product registrations, licenses and certification requirements.

Device facilities are typically inspected by the FDA and other international regulatory agencies and notified bodies.

Competition Changes

With the acquisition of the HIS business we have entered into the infusion pump and solutions market. The market for infusion therapy products in general is intensely competitive. The competitive environment for IV smart pumps is no different with market share measured based on installed base. We will be able to leverage the HIS business' existing installed base; however we face strong competitors in the U.S. including Becton Dickinson ("BD"), Baxter International, Inc. ("Baxter") and B. Braun Medical, Inc. ("B. Braun"). Internationally, we face equally strong competitors in the pump market including Fresenius Kabi a division of Fresenius Group ("Fresenius"), B. Braun Melsungen AG ("B. Braun AG") and Smiths Medical. These competitors benefit from a wider breadth and depth of their product offerings and greater financial, research and development and marketing resources than we have. The smart pump market in recent years has been troubled with security concerns, and product recalls. We believe our ability to effectively compete in this market will be determined by our ability to build our brand strength using the development of technological advancements aimed at increasing the quality, reliability and safety of our pumps while at the same time focusing on manufacturing efficiency and cost-effectiveness, which are operationally challenging with evolving product lines.

The solutions market is also competitive, although we believe it is more difficult for new competitors to enter because it is a highly regulated business requiring expertise and stable manufacturing capabilities. Our competitors include Baxter, B. Braun and Fresenius. Demand for IV solutions is typically high and raw materials required to produce IV solutions are readily available. Our ability to compete will depend on our ability to maximize production, develop innovations in our product line, focus on cost-effectiveness and our ability to maintain the appropriate quality infrastructure.

We believe the breadth of the HIS business product portfolio has increased our competitiveness as we can now provide a one-stop shop for customers and offer more flexible competitive pricing using contract bundling. We believe the infusion

pump will also enable us to pull through a larger volume of higher margin consumables, such as IV sets, accessories and solutions. In addition, we are now a vertically integrated supplier, which allows us greater access to a unified distribution channel.

Patent Changes

As part of the HIS business acquisition, we acquired rights, title and interest to a substantial number of patents and patent applications and related provisionals, divisionals, continuations, continuations-in-part, reissues, reexaminations, extensions, and substitutions of any of the foregoing ("Patent Rights"), that were primarily used or held for use by Pfizer in the HIS business. There is however, no single patent or group of patents that we acquired that we believe is material in relation to our business as a whole.

Employee Changes

The HIS business acquisition had a significant impact on our number of employees. At September 30, 2017, we employed approximately 7,000 people across our global operations, with approximately 2,700 employed in the United States.

Market Segments

We have restructured our market segments to integrate the HIS business product portfolio and have presented our financial results in accordance with the following four market segments with our primary products listed:

Infusion Consumables

Infusion Therapy

- Clave® needlefree products, including the MicroClave, MicroClave Clear, and NanoClave brand of connectors, accessories, extension and administration sets used for the administration of IV fluids and medications. Custom infusion sets are a subset of the Clave product category, and designed to meet specialized infusion therapy practice in areas such as anesthesia and pediatrics.
- Neutron® Catheter Patency Connector, used to help maintain patency of central venous catheters.
- SwabCap® Disinfecting Cap, used to protect and disinfect any needlefree connector including, including competitive brands of connectors.
- Custom infusion sets
- Tego® Hemodialysis Connector
- NovaCath® and SuperCath® Peripheral IV Catheters

Oncology Pharmacy Devices and Consumables

- ChemoLock® Closed System Transfer Device (CSTD) is a Pharmacy preferred CSTD used for the preparation and administration of hazardous drugs.
- ChemoClave® Closed System Transfer Device (CSTD) is an ISO standard and universally compatible CSTD used for the preparation and administration of hazardous drugs.
- Diana™ hazardous drug compounding system, used for the preparation of hazardous drugs.

IV Solutions

- *Sterile Solutions* - IV solutions, normal saline, Ringers etc. is used to replenish fluids and electrolytes by IV infusion.

- *Irrigation Solutions* - Used externally on open wounds to hydrate the wound, remove deep debris, assist with visual examination, to prevent infection and improve healing.

- *Nutritionals* - Solutions that feed vitamins, minerals and other natural therapeutic substances directly into the blood stream. We are committed to helping our customers deliver more comprehensive patient-care therapies, delivering an extensive source of nutrients for patients who cannot consume a normal diet.

Infusion Systems

Infusion Pump Hardware - Our current pump platform includes four infusion pumps:

- *Plum 360*™: The Plum 360™ infusion pump is a ICU Medical MedNet™ ready large volume infusion pump with an extensive drug library and wireless capability.

- *LifeCare PCA*™: The LifeCare PCA™ infusion pump is a ICU Medical MedNet™ ready patient-controlled analgesia pump.

- *SapphirePlus*™: The SapphirePlus™ infusion pump is a ICU Medical MedNet™ ready large volume infusion pump with an extensive drug library and wireless capability.

- *Sapphire*™: The Sapphire™ infusion pump is a compact infusion system used in ambulatory and hospital settings. The Sapphire™ infusion pump comes in multi-therapy and epidural-only configurations.

We offer the ICU Medical MedNet™ safety software system, which is designed for hospitals to customize intravenous drug dosage limits and track drug delivery to help prevent medication errors.

Critical Care

- Hemodynamic Monitoring Systems
  - Cogent® 2-in-1 Hemodynamic Monitoring System
  - LiDCO LX1™ Noninvasive Hemodynamic Monitoring System
  - CardioFlo® Hemodynamic Monitoring Sensor
  - TriOx® PICC Minimally Invasive Venous Oximetry Sensor

- SafeSet® Closed Blood Sampling and Conservation System

- Transpac® Consumable Blood Pressure Transducers

- Other Critical Care Products and Accessories

Our primary customers are acute care hospitals, wholesalers, ambulatory clinics and alternate site facilities, such as clinics, home health care providers and long-term care facilities.

The following table summarizes our total worldwide revenue by domestic and international markets by amount and as a percentage of total revenue (in millions, except percentages):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017		2016		2017		2016	
	$	% of Revenue	$	% of Revenue	$	% of Revenue	$	% of Revenue
Domestic	$ 262.2	76%	$ 66.8	69%	$ 690.1	75%	$ 198.1	70%
International	81.0	24%	30.3	31%	232.4	25%	85.6	30%
Total Revenue	$ 343.2	100%	$ 97.1	100%	$ 922.5	100%	$ 283.7	100%

The following table sets forth, for the periods indicated, total revenue by market segment as a percentage of total revenue:

	Three months ended September 30,		Nine Months Ended September 30,	
Product line	**2017**	**2016**	**2017**	**2016**
Infusion Consumables	27%	86%	27%	86%
IV Solutions	42%	—%	41%	—%
Infusion Systems	24%	—%	22%	—%
Critical Care	4%	14%	4%	14%
Other	3%	—%	6%	—%
	100%	100%	100%	100%

We manage our product distribution in the U.S. through a network of three owned distribution facilities, as well as, through direct channels, which include independent distributors and the end users of our products, and as original equipment manufacturer suppliers. Most of our independent distributors handle the full line of our products. Internationally, we manage our operations through the Netherlands, which utilizes international regional hubs and we also manage our operations through independent distributors.

A substantial amount of our products are sold to group purchasing organization ("GPO") member hospitals. We believe that as healthcare providers continue to either consolidate or join major buying organizations, the success of our products will depend, in part, on our ability, either independently or through strategic relationships to secure long-term contracts with large healthcare providers and major buying organizations. As a result of this marketing and distribution strategy we derive most of our revenue from a relatively small number of distributors and manufacturers. Although we believe that we are not dependent on any single distributor for distribution of our products, the loss of a strategic relationship with a customer or a decline in demand for manufacturing customers' products could have a material adverse effect on our operating results.

We believe that achievement of our growth objectives worldwide will require increased efforts by us in sales and marketing and product acquisition and development; however, there is no assurance that we will be successful in implementing our growth strategy. Product development or acquisition efforts may not succeed, and even if we do develop or acquire additional products, there is no assurance that we will achieve profitable sales of such products. Increased expenditures for sales and marketing and product acquisition and development may not yield desired results when expected, or at all. While we have taken steps to control these risks, there are certain risks that may be outside of our control, and there is no assurance that steps we have taken will succeed.

Acquisitions

On February 1, 2017, we acquired 100% interest in Fannin (UK) Limited ("Fannin") for total consideration of approximately $1.5 million. Fannin provides infusion therapy consumable products to the healthcare sector in the United Kingdom and Ireland.

On February 3, 2017, we acquired 100% interest in Pfizer's HIS business for total consideration of approximately $260.0 million in cash (net of estimated working capital adjustments paid at closing) and the issuance of 3.2 million shares of our common stock. We partially funded the cash portion of the consideration paid with a $75 million three-year interest-only seller note. The fair value of the common shares issued to Pfizer was determined based on the closing price of our common shares on the issuance date, discounted to reflect a contractual lock-up period whereby Pfizer cannot transfer the shares, subject to certain exceptions, until the earlier of (i) the expiration of Pfizer’s services to us in the related transitional services agreement or (ii) eighteen months.

Consolidated Results of Operations

We present income statement data in Part I, Item 1 - Financial Statements. The following table shows, for the three and nine months ended September 30, 2017 and 2016, respectively, the percentages of each income statement caption in relation to total revenue:

	Three months ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Total revenue	100 %	100 %	100 %	100 %
Gross margin	33 %	53 %	31 %	53 %
Selling, general and administrative expenses	22 %	23 %	25 %	24 %
Research and development expenses	4 %	4 %	4 %	3 %
Restructuring and strategic transaction	5 %	3 %	7 %	2 %
Change in fair value of earn-out	2 %	— %	1 %	— %
Total operating expenses	33 %	30 %	37 %	29 %
(Loss) income from operations	— %	23 %	(6)%	24 %
Bargain purchase gain	2 %	— %	8 %	1 %
Interest expense	— %	— %	— %	— %
Other income, net	— %	— %	— %	— %
Income before income taxes	2 %	23 %	2 %	25 %
Provision (Benefit) for income taxes	1 %	4 %	(1)%	6 %
Net income	1 %	19 %	3 %	19 %

Infusion Consumables

The following table summarizes our total Infusion Consumables revenue (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
Infusion Consumables	$ 92.7	$ 82.8	$ 9.9	12.0%	$ 245.9	$ 242.7	$ 3.2	1.3%

The Infusion Consumables revenue included our acquired revenue from the HIS business, which year-to-date includes approximately eight months of revenue from the point of closing of the transaction to the end of the current quarter. Additionally, the Infusion Consumables market segment includes our legacy Infusion Therapy and Oncology businesses.

IV Solutions

The following table summarizes our total IV Solutions revenue (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
IV Solutions	$ 143.7	$ —	$ 143.7	—	$ 375.5	$ —	$ 375.5	—

The IV Solutions revenue is a result of the acquisition of the HIS business. For the three and nine months ended September 30, 2017, IV Solutions revenue included $16.2 million and $51.9 million, respectively, in contract manufacturing to Pfizer at cost in accordance with our MSA agreement. The year-to-date revenue represents approximately eight months of revenue from the point of closing of the transaction to the end of the current quarter.

Infusion Systems

The following table summarizes our total Infusion Systems revenue (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
Infusion Systems	$ 82.8	$ —	$ 82.8	—	$ 202.6	$ —	$ 202.6	—

The Infusion Systems revenue is a result of the acquisition of the HIS business. The year-to-date revenue represents approximately eight months of revenue from the point of closing of the transaction to the end of the current quarter.

Critical Care

The following table summarizes our total Critical Care revenue (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
Critical Care	$ 12.9	$ 14.0	$ (1.1)	(7.9)%	$ 37.2	$ 40.3	$ (3.1)	(7.7)%

Critical care revenue was essentially flat as compared to the same periods in the prior year.

Other Revenue

For the three and nine months ended September 30, 2017, other revenue was $0.2 million and $0.9 million, respectively. As part of the HIS business acquisition, the closing of certain foreign jurisdictions were deferred, as such, we entered into a Net Economic Benefit agreement with Pfizer (see Note 3: Acquisition, Strategic Transaction and Integration Expenses in our accompanying condensed consolidated financial statements for additional information). The revenue data related to these deferred closing entities is not available by market segment, therefore our other revenue below includes amounts related to these entities and differs from the amounts reported as other revenue on our condensed consolidated statements of operations.

The following table summarizes our total Other Revenue (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
Other Revenue	$ 11.1	$ 0.3	$ 10.8	3,600.0%	$ 61.3	$ 0.7	$ 60.6	8,657.1%

Gross Margins

For the three and nine months ended September 30, 2017, gross margins were 32.5% and 31.3%, respectively, as compared to 52.8% and 53.1% for the three and nine months ended September 30, 2016, respectively. The decrease in gross margin for the three and nine months ended September 30, 2017, as compared to the same periods in the prior year is due to the integration of HIS, which has historically lower gross margins than our legacy business. Additionally, there was an impact of approximately four and seven percentage points for the three and nine months ended September 30, 2017, respectively, related to the step-up of inventory from our purchase accounting and also a temporary negative impact on absorption due to our planned inventory reduction.

Selling, General and Administrative ("SG&A") Expenses

The following table summarizes our total SG&A Expenses (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
SG&A	$ 76.8	$ 22.4	$ 54.4	242.9%	$ 226.8	$ 66.8	$ 160.0	239.5%

SG&A expenses increased for the three months ended September 30, 2017, as compared to the same period in the prior year, primarily due to the impact of the HIS acquisition. Accounting and information technology fees increased $20.1 million, compensation increased $15.6 million, depreciation expense increased $3.7 million, computer hardware and software increased $2.3 million, travel and related expenses increased $1.8 million. Accounting and information technology fees increased due to the expenses incurred under the transition services agreement with Pfizer. Compensation increased due to an increase in headcount related to the HIS acquisition, and from new employees hired to support the company post-acquisition. Depreciation expense increased due to the depreciation of the HIS assets acquired. Travel and related expenses increased primarily due to the integration of the HIS acquisition and the post-acquisition operational activity. Computer hardware and software increases were due to the post-acquisition needs to stand up the company.

SG&A expenses increased for the nine months ended September 30, 2017, as compared to the same period in the prior year, primarily due to the impact of the HIS acquisition. Accounting and information technology fees increased $54.2 million, compensation increased $57.1 million, depreciation expense increased $9.4 million, travel and related expenses increased $3.9 million, commissions increased $3.4 million and computer hardware and software increased $2.8 million. See above SG&A variance explanations related to the three months ended September 30, 2017, as compared to the same period in the prior year, as they are also relevant explanations for the above SG&A variances for the nine months ended September 30, 2017, as compared to the same period in the prior year. Commissions increased due to the increase in revenue.

Research and Development ("R&D") Expenses

The following table summarizes our total R&D Expenses (in millions):

	Three months ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
R&D	$ 12.8	$ 3.7	$ 9.1	245.9%	$ 37.4	$ 10.3	$ 27.1	263.1%

R&D expenses increased for the three and nine months ended September 30, 2017, as compared to the same periods in the prior year due to the acquisition of HIS.

Restructuring and Strategic Transaction and Integration Expenses

Restructuring and strategic transaction and integration expenses were $18.7 million and $68.0 million for the three and nine months ended September 30, 2017, respectively, as compared to $2.8 million and $4.3 million for the three and nine months ended September 30, 2016, respectively.

Restructuring charges

Restructuring charges were $3.2 million and $19.0 million for the three and nine months ended September 30, 2017, respectively. These charges were related to (i) severance costs from the reduction in our workforce needed to eliminate duplicative positions created as a result of the HIS acquisition and (ii) we are also in the process of closing our Dominican Republic manufacturing facilities and have incurred expenses associated with the closure and transfer of assets and production to our Costa Rica and Mexico manufacturing facilities. We expect to pay unpaid restructuring charges as of September 30, 2017, by the end of the end of 2017.

Restructuring charges were $0.4 million and $0.8 million for the three and nine months ended September 30, 2016, respectively. These charges were primarily related to residual expenses for the closure of our Slovakian manufacturing facility and we incurred $0.2 million related to other restructuring activities.

Strategic transaction and integration expenses

Strategic transaction and integration expenses were $15.5 million and $49.0 million for the three and nine months ended September 30, 2017, respectively, primarily related to our acquisition of the HIS business.

Strategic transaction and integration expenses were $2.4 million and $3.5 million for the three and nine months ended September 30, 2016, related to initial costs incurred on our acquisition of HIS, to our 2015 acquisition of EXC Holding Corp. and to our second quarter 2016 acquisition of Tangent Medical Technologies, Inc.

Change in Fair Value of Earn-out

The fair value revaluation of our earn-out resulted in a loss of $7.0 million and $13.0 million for the three and nine months ended September 30, 2017.

Bargain Purchase Gain

The HIS acquisition resulted in a bargain purchase gain. For the three and nine months ended September 30, 2017 we recognized a bargain purchase gain of $8.5 million and $71.8 million, respectively, related to this acquisition. The bargain purchase gain represents the excess of the estimated fair market value of the identifiable tangible and intangible assets acquired and liabilities assumed, net of deferred tax liabilities over the total purchase consideration. The bargain purchase gain is subject to additional adjustment upon the finalization of the valuations of acquired assets and liabilities associated with the HIS acquisition.

Interest Expense

Interest expense was $0.7 million and $1.7 million for the three and nine months ended September 30, 2017, respectively. The interest expense is related to the $75 million seller note from Pfizer as part of the HIS business acquisition. This three-year interest only seller note bears interest at LIBOR plus (i) 2.25% per year for the first 12 months, and (ii) 2.50% per annum thereafter.

Other (Expense) Income

Other (expense) income was $0.6 million and $(2.0) million for the three and nine months ended September 30, 2017, respectively. Other (expense) income was $0.3 million and $0.6 million for the three and nine months ended September 30, 2016, respectively.

Income Taxes

Income taxes were accrued at an estimated effective tax rate of (66)% and 25% for the nine months ended September 30, 2017, and 2016, respectively.

The effective tax rate for the nine months ended September 30, 2017 differs from the federal statutory rate of 35% principally because of the effect of the mix of U.S. and foreign incomes, state income taxes, tax credits and the impact of the gain on bargain purchase. The effective tax rate during the nine months ended September 30, 2017 also included a material tax benefit of $12.6 million related to the excess tax benefits recognized on stock option exercises and the vesting of restricted stock units during the period, which is treated as a discrete item and excluded from determining our annual estimated effective tax rate.

The effective tax rate for the nine months ended September 30, 2016 differs from the federal statutory rate of 35% principally because of the effect of foreign and state income taxes, tax credits and deductions for domestic production activities. The effective tax rate during the nine months ended September 30, 2016 also included a material tax benefit of $6.6 million related to the excess tax benefits recognized on stock option exercises and the vesting of restricted stock units during the period, which is treated as a discrete item and excluded from determining our annual estimated effective tax rate.

Liquidity and Capital Resources

During the first nine months of 2017, our cash, cash equivalents and short and long-term investments decreased by $119.7 million from $445.1 million at December 31, 2016 to $325.3 million at September 30, 2017.

Cash Flows from Operating Activities

Our net cash provided by operations for the nine months ended September 30, 2017 was $69.9 million. Net income plus adjustments for non-cash net expenses contributed $31.5 million to cash provided by operations, and cash used by changes in operating assets and liabilities was $38.4 million. The changes in operating assets and liabilities included a $148.5 million decrease in inventories, a $63.2 million increase in accrued liabilities and a $17.6 million increase in accounts payable. Offsetting these amounts was a $125.4 million increase in prepaid expenses and other assets, a $51.5 million increase in accounts receivable and $14.0 million in net changes in income taxes, including excess tax benefits and deferred income taxes. The decrease in inventory was due to a planned inventory reduction of our acquired inventory to manage working capital needs. The increase in accrued liabilities was primarily a result of increased salary and benefits due to a larger workforce. The increase in accounts payable was due to the increase in expenses related to the post-acquisition operations. The increase in prepaid expenses and other assets was primarily due to amounts paid for transitional service arrangement fees, working capital adjustments and other HIS-related amounts. The increase in accounts receivable is due to the increase in revenue. The net changes in income taxes was a result of the timing of payments.

Our net cash provided by operations for the nine months ended September 30, 2016 was $68.7 million. Net income plus adjustments for non-cash net expenses contributed $79.0 million to cash provided by operations, and cash used by changes in operating assets and liabilities was $10.3 million. The changes in operating assets and liabilities included a $7.3 million decrease in accrued liabilities, a $6.6 million increase in inventories, a $2.2 million increase in prepaid expenses and other assets, and a $1.6 million decrease in accounts payable, partially offset by a $4.7 million increase in accounts receivable and $2.7 million in net changes to income taxes and deferred income taxes. The decrease in accrued liabilities was primarily due to the pay-out of fiscal year 2015 accrued bonuses in February of 2016, the payment of accrued restructuring charges related to the closure of our Slovakian manufacturing facility and the payment of acquisition-related accruals from our 2015 EXC acquisition. The increase in inventories was primarily due to building finished good safety stock, to support better customer deliveries, raw materials related to our Slovakia plant closure, and related transfer to our Mexico plant, and inventory associated with the acquired SwabCap product-line. The increase in prepaid expenses and other assets was primarily due to repayment of state aid and interest related to the closure of our Slovakian manufacturing facilities. The decrease in accounts payable was a result of the timing of disbursements. The increase in accounts receivable was due to an increase in revenue. The net changes in income taxes was a result of the timing of payments for cash tax purposes, which includes true-ups for 2015 overpayment and 2016 estimated taxes.

Cash Flows from Investing Activities

The following table summarizes the changes in our investing cash flows (in thousands):

	Nine Months Ended September 30,		
	2017	2016	Change
Investing Cash Flows:			
Purchases of property and equipment	$ (51,702)	$ (15,018)	$ (36,684) [1]
Proceeds from sale of assets	2	1	1
Business acquisitions, net of cash acquired	(157,097)	(2,584)	(154,513) [2]
Intangible asset additions	(3,718)	(861)	(2,857)
Purchases of investment securities	(24,743)	(111,575)	86,832 [3]
Proceeds from sale of investment securities	—	45,429	(45,429) [4]
Net cash (used in) provided by investing activities	$ (237,258)	$ (84,608)	$ (152,650)

[1] Our purchases of property and equipment will vary from period to period based on additional investments needed to support new and existing products and expansion of our manufacturing facilities. The year-over-year increases primarily related to HIS entities.

[2] Our business acquisitions will vary from period to period based upon our current growth strategy and our ability to execute on desirable target companies. On February 3, 2017, we acquired HIS for $260 million in cash consideration (net of working capital adjustments), financed with existing cash balances and a three-year interest-only seller note of $75 million and we delivered 3.2 million shares of our common stock to Pfizer.

[3] Our purchases of investment securities will vary from period to period based on current cash needs, planning for known future transactions and due to changes in our investment strategy. In December 2016, we liquidated all of our investment securities to use the proceeds to fund the acquisition of HIS. In September 2017, we began to purchase investment securities in accordance with our investment policy.

[4] In December 2016, we liquidated all of our investment securities and used the proceeds to fund the acquisition of HIS. Accordingly, we did not have an investment balance until purchases were made in September 2017 and we have not had any investment sales during the nine months ended September 30, 2017.

While we can provide no assurances, we estimate that our capital expenditures in 2017 will approximate $80 million. In January 2017, we completed an expansion of our Mexico manufacturing plant. We anticipate making additional investments in molds, machinery and equipment in our manufacturing operations in the United States and Mexico to support new and existing products and in IT to benefit world-wide integrated operations. We expect to use our cash to fund our capital purchases. Amounts of spending are estimates and actual spending may substantially differ from those amounts.

Cash Flows from Financing Activities

The following table summarizes the changes in our financing cash flows (in thousands):

	Nine Months Ended September 30,			
	2017	2016	Change	
Financing Cash Flows:				
Proceeds from exercise of stock options	$ 19,967	$ 15,830	$ 4,137	(1)
Proceeds from employee stock purchase plan	2,705	2,361	344	
Purchase of treasury stock	(3,951)	(17,155)	13,204	(2)
Net cash provided by (used in) financing activities	$ 18,721	$ 1,036	$ 17,685	

(1) Proceeds from the exercise of stock options will vary from period to period based on the volume of options exercised and the exercise price of the specific options exercised.

(2) During the nine months ended September 30, 2017, our employees surrendered 27,129 shares of our common stock from vested restricted stock awards as consideration for approximately $4.0 million in minimum statutory withholding obligations paid on their behalf.

In July 2010, our Board of Directors approved a share purchase plan to purchase up to $40.0 million of our common stock. As of September 30, 2017, we had purchased $32.8 million of our common stock pursuant to this plan, leaving a balance of $7.2 million available for future purchases. This plan has no expiration date. We are currently limited on share purchases in accordance with the terms and conditions of our senior note with Pfizer (see Note 15: Long-Term Obligations in our accompanying condensed consolidated financial statements).

After our acquisition of the HIS business, we continue to maintain a substantial cash position. Cash generated includes stock sales, principally from the exercise of employee stock options. We maintain this position to fund our growth, meet increasing working capital requirements, and fund capital expenditures and to take advantage of acquisition opportunities that may arise.

As of September 30, 2017, we had $82.2 million of cash and cash equivalents held in local currency by our foreign subsidiaries. If these funds were needed for our operations in the U.S., we would be required to accrue and pay U.S. taxes for a portion of any repatriated funds. However, we expect to permanently reinvest these funds outside of the U.S. and, based on our current plans, we do not presently anticipate a need to repatriate them to fund our U.S. operations.

We believe that our existing cash and cash equivalents along with funds expected to be generated from future operations will provide us with sufficient funds to finance our current operations for the next twelve months. In the event that we experience downturns or cyclical fluctuations in our business that are more severe or longer than anticipated or if we fail to achieve anticipated revenue and expense levels, we may need to obtain or seek alternative sources of capital or financing, and we can provide no assurances that the terms of such capital or financing will be available to us on favorable terms, if at all.

On November 8, 2017, we entered into a new five-year Senior Secured Revolving Credit Facility ("Credit Facility") with various lenders for $150 million, with Wells Fargo Bank, N.A. as the administrative agent. The Credit Facility has an accordion feature that would enable us to increase the borrowing capacity of the credit facility by the greater of (i) $100 million and (ii) 2.00x Total Leverage. Under the terms of the facility we will be subject to certain financial covenants pertaining to leverage and fixed charge coverage ratios. Borrowings under the Credit Facility will bear interest at LIBOR plus an applicable margin tied to the leverage ratio in effect. The unused portion of the Credit Facility will be subject to a per annum commitment fee which is also calculated using the leverage ratio in effect.

Off Balance Sheet Arrangements

In the normal course of business, we have agreed to indemnify our officers and directors to the maximum extent permitted under Delaware law and to indemnify customers as to certain intellectual property matters related to sales of our products. There is no maximum limit on the indemnification that may be required under these agreements. Although we can provide no assurances, we have never incurred, nor do we expect to incur, any material liability for indemnification.

Contractual Obligations

Our contractual obligations increased significantly due to the acquisition of HIS. The following table summarizes our contractual obligations, excluding open orders for purchases that support normal operations, as of September 30, 2017 (in thousands):

	Payments Due By Period						
	Total	Remainder of 2017	2018	2019	2020	2021	Thereafter
Long-term debt obligations	$ 75,000	$ —	$ —	$ —	$ 75,000	$ —	$ —
Interest payments on long-term debt obligations	7,475	763	3,198	3,215	299		—
Operating lease obligations	33,763	2,638	9,208	5,769	3,378	3,219	9,551
Purchase obligations[(1)]	97,970	5,513	4,477	14,005	34,757	39,218	—
Total contractual obligations	$ 214,208	$ 8,914	$ 16,883	$ 22,989	$ 113,434	$ 42,437	$ 9,551

[(1)] Purchase obligations includes agreements to purchase goods that are enforceable and legally binding. These amounts are not accrued as of September 30, 2017. It does not include milestone payments where payments may be refundable unless regulatory approval is obtained.

Description of Indebtedness

Senior Note

We entered into a senior note with Pfizer on February 3, 2017 to partially finance the HIS business acquisition and pay interest on that note based on LIBOR plus (i) 2.25% per year for the first 12 months, and (ii) 2.50% per annum thereafter.

At September 30, 2017, we had $75.0 million in principal outstanding under the senior note. The senior note is a three-year interest-only note and matures on February 3, 2020.

On November 8, 2017, we fully repaid the $75 million in outstanding principal under the senior note payable to Pfizer.

Critical Accounting Policies

In our Annual Report on Form 10-K for the year ended December 31, 2016, we identified the critical accounting policies which affect our more significant estimates and assumptions used in preparing our consolidated financial statements. Other than the addition of the business combination critical accounting policy below we have not changed our policies from those previously disclosed in our Annual Report.

Business Combinations

The allocation of the purchase price for acquisitions requires extensive use of accounting estimates and judgments to allocate the purchase price to the identifiable tangible and intangible assets acquired, including in-process research and development, and liabilities assumed based on their respective fair values.

New Accounting Pronouncements

See Note 2 to Part I, Item 1. Financial Statements.

Forward Looking Statements

Various portions of this Quarterly Report on Form 10-Q, including this Management's Discussion and Analysis of Financial Condition and Results of Operations, and documents referenced herein, describe trends in our business and finances that we perceive and state some of our expectations and beliefs about our future. These statements about the future are "forward looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and we may identify them by using words such as "anticipate," "believe," "expect," "estimate," "intend," "plan," "will," "continue," "could," "may," and by similar expressions and statements about aims, goals and plans. The forward looking statements are based on the best information currently available to us and assumptions that we believe are reasonable, but we do not intend the statements to be representations as to future results. They include, without limitation, statements about:

- future growth; future operating results and various elements of operating results, including future expenditures and effects with respect to sales and marketing and product development and acquisition efforts; future sales and unit volumes of products; expected increases and decreases in sales; deferred revenue; accruals for restructuring charges, future license, royalty and revenue share income; production costs; gross margins; litigation expense; future SG&A and R&D expenses; manufacturing expenses; future costs of expanding our business; income; losses; cash flow; amortization; source of funds for capital purchases and operations; future tax rates; alternative sources of capital or financing; changes in working capital items such as receivables and inventory; selling prices; and income taxes;

- factors affecting operating results, such as shipments to specific customers; reduced dependence on current proprietary products; loss of a strategic relationship; change in demand; domestic and international sales; expansion in international markets, selling prices; future increases or decreases in sales of certain products and in certain markets and distribution channels; maintaining strategic relationships and securing long-term and multi-product contracts with large healthcare providers and major buying organizations; increases in systems capabilities; introduction, development and sales of new products, acquisition and integration of businesses and product lines, including the HIS business, SwabCap (EXC) and Tangent; benefits of our products over competing systems; qualification of our new products for the expedited Section 510(k) clearance procedure; possibility of lengthier clearance process for new products; planned increases in marketing; warranty claims; rebates; product returns; bad debt expense; amortization expense; inventory requirements; lives of property and equipment; manufacturing efficiencies and cost savings; unit manufacturing costs; establishment or expansion of production facilities inside or outside of the United States; planned new orders for semi-automated or fully automated assembly machines for new products; adequacy of production capacity; results of R&D; our plans to repurchase shares of our common stock; asset impairment losses; relocation of manufacturing facilities and personnel; effect of expansion of manufacturing facilities on production efficiencies and resolution of production inefficiencies; the effect of costs to customers and delivery times; business seasonality and fluctuations in quarterly results; customer ordering patterns and the effects of new accounting pronouncements; and

- new or extended contracts with manufacturers and buying organizations; dependence on a small number of customers; loss of larger distributors and the ability to locate other distributors; the impact of our acquisition of the HIS business; growth of our Clave products in future years; design features of Clave products; the outcome of our strategic initiatives; regulatory approvals and compliance; outcome of litigation; patent protection and intellectual property landscape; patent infringement claims and the impact of newly issued patents on other medical devices; competitive and market factors, including continuing development of competing products by other manufacturers; improved production processes and higher volume production; innovation requirements; consolidation of the healthcare provider market and downward pressure on selling prices; distribution or financial capabilities of competitors; healthcare reform legislation; use of treasury stock; working capital requirements; liquidity and realizable value of our investment securities; future investment alternatives; foreign currency denominated financial instruments; foreign exchange risk; commodity price risk; our expectations regarding liquidity and capital resources over the next twelve months; capital expenditures; plans to convert existing space; acquisitions of other businesses or product lines, indemnification liabilities and contractual liabilities.

Forward-looking statements involve certain risks and uncertainties, which may cause actual results to differ materially from those discussed in each such statement. First, one should consider the factors and risks described in the statements themselves or otherwise discussed herein. Those factors are uncertain, and if one or more of them turn out differently than we currently expect, our operating results may differ materially from our current expectations.

Second, investors should read the forward looking statements in conjunction with the Risk Factors discussed in Part I, Item 1A of our Annual Report on Form 10-K with the SEC for the year ended December 31, 2016, Part II, Item 1A of this Quarterly Report on Form 10-Q and our other reports filed with the SEC. Also, actual future operating results are subject to other important factors and risks that we cannot predict or control, including without limitation, the following:

- general economic and business conditions, both in the U.S. and internationally;
- unexpected changes in our arrangements with Pfizer or our other large customers;
- outcome of litigation;
- fluctuations in foreign exchange rates and other risks of doing business internationally;
- increases in labor costs or competition for skilled workers;
- increases in costs or availability of the raw materials need to manufacture our products;
- the effect of price and safety considerations on the healthcare industry;
- competitive factors, such as product innovation, new technologies, marketing and distribution strength and price erosion;
- the successful development and marketing of new products;
- unanticipated market shifts and trends;
- the impact of legislation affecting government reimbursement of healthcare costs;
- changes by our major customers and independent distributors in their strategies that might affect their efforts to market our products;
- the effects of additional governmental regulations;
- unanticipated production problems; and
- the availability of patent protection and the cost of enforcing and of defending patent claims.

The forward-looking statements in this report are subject to additional risks and uncertainties, including those detailed from time to time in our other filings with the Securities and Exchange Commission. These forward-looking statements are made only as of the date hereof and, except as required by law, we undertake no obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk stemming from changes in interest rates and foreign currency exchange rates.

Interest Rate Risk

Our market risk on interest rates relates to a $75 million senior note with Pfizer that we entered in to on February 3, 2017 to partially fund the HIS business acquisition. We pay interest on that note based on LIBOR plus (i) 2.25% per year for the first 12 months, and (ii) 2.50% per annum thereafter. We are exposed to interest rate risk from changes in interest rates. We use a sensitivity analyses to measure our interest rate risk exposure.

If the LIBOR rate increases or decreases 1% from September 30, 2017, the additional annual interest expense or savings would amount to $0.8 million.

Foreign Exchange Risk

We have foreign currency exchange risk related to foreign-denominated cash, accounts receivable and accounts payable and accrued liabilities. In our European operations, our net Euro asset position at September 30, 2017 was approximately €48.7 million. A 10% change in the conversion of the Euro to the U.S. dollar for our cash, accounts receivable, accounts payable and accrued liabilities from the September 30, 2017 spot rate would impact our consolidated amounts on these balance sheet items by approximately $5.8 million, or 2.7% of these consolidated net assets. We expect that in the future, with the growth of our European distribution operations, net Euro denominated instruments will continue to increase. We currently do not hedge our Euro foreign currency exposures.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our principal executive officer and principal financial officer have concluded, based on their evaluation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this Report, that our disclosure controls and procedures are effective to ensure that the information we are required to disclose in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure and that such information is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC.

Changes in Internal Control Over Financial Reporting

On February 3, 2017, we completed our acquisition of HIS. As the acquisition occurred in the first quarter of 2017, the scope of our evaluation of the effectiveness of internal control over financial reporting does not include HIS. This exclusion is in accordance with the SEC's general guidance that an assessment of a recently acquired business may be omitted from our scope for a period not to exceed one year from the date of the acquisition.

There was no change in our internal control over financial reporting during the quarter ended September 30, 2017 that has materially affected or is reasonably likely to materially affect our internal control over financial reporting, except as mentioned above.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Beginning in November 2016, purported class actions were filed in the U.S. District Court for the Northern District of Illinois against Pfizer, Inc. subsidiaries, Hospira, Inc., Hospira Worldwide, Inc. and certain other defendants relating to the intravenous saline solutions part of the HIS business. Plaintiffs seek to represent classes consisting of all persons and entities in the U.S. who directly purchased intravenous saline solution sold by any of the defendants from January 1, 2013 until the time the defendants' allegedly unlawful conduct ceases. Plaintiffs allege that the defendants' conduct restricts output and artificially fixes, raises, maintains and/or stabilizes the prices of intravenous saline solution sold throughout the U.S. in violation of federal antitrust laws. Plaintiffs seek treble damages (for themselves and on behalf of the putative classes) and an injunction against defendants for alleged price overcharges for intravenous saline solution in the U.S. since January 1, 2013. On February 3, 2017, we completed the acquisition of the HIS business from Pfizer. This litigation is the subject of a claim for indemnification against us by Pfizer and a cross-claim for indemnification against Pfizer by us under the HIS stock and asset purchase agreement ("SAPA").

In addition, in August 2015, the New York Attorney General issued a subpoena to Hospira, Inc. requesting that the company provide information regarding certain business practices in the intravenous solutions part of the HIS business. Separately, in April 2017, we received a grand jury subpoena issued by the United States District Court for the Eastern District of Pennsylvania, in connection with an investigation by the U.S. Department of Justice, Antitrust Division. The subpoena calls for production of documents related to the manufacturing, selling, pricing and shortages of intravenous solutions, including saline, as well as communications among market participants regarding these issues. The Department of Justice investigation is the subject of cross-claims for indemnification by both us and Pfizer under the SAPA. We will coordinate with Pfizer to produce records to the New York Attorney General and the Department of Justice.

In addition to the legal matter described above, we are from time to time involved in various other legal proceedings, either as a defendant or plaintiff, most of which are routine litigation in the normal course of business. We believe that the resolution of the legal proceedings in which we are involved will not have a material adverse effect on our financial position or results of operations.

Item 1A. Risk Factors

In evaluating an investment in our common stock, investors should consider carefully, among other things, the risk factors previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2016, as well as the information contained in this Quarterly Report and our other reports and registration statements filed with the SEC.

The HIS business acquisition has resulted in organizational change and significant growth to our business. If we fail to effectively manage this growth and change to our business in a manner that preserves our reputation with customers and the key aspects of our corporate culture, our business, financial condition and results of operations could be harmed.

The HIS business has resulted in significant growth in our personnel and operations, adding approximately 4,300 employees to our headcount, bringing our total headcount as of September 30, 2017 to approximately 7,000 employees. In addition, the acquisition process and other events prior to our acquisition put a significant strain on certain HIS business customer relationships. We will continue to incur significant expenditures and the allocation of management time to assimilate the HIS business employees in a manner that preserves the key aspects of our corporate culture, including a focus on strong customer satisfaction, but there can be no assurance that we will be successful in our efforts. If we do not effectively integrate, train and manage our combined employee base and maintain strong customer relationships, our corporate culture could be undermined, the quality of our products and customer service could suffer, and our reputation could be harmed, each of which could adversely impact our business, financial condition and results of operations.

There have been no other material changes in the risk factors other than those mentioned above from those previously disclosed under “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K with the SEC for the year ended December 31, 2016.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchase of Equity Securities

The following is a summary of our stock repurchasing activity during the third quarter of 2017:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of a publicly announced program	Approximate dollar value that may yet be purchased under the program[1]
07/01/2017 — 07/31/2017	—	$ —	—	$ 7,169,000
08/01/2017 — 08/31/2017	—	$ —	—	$ 7,169,000
09/01/2017 — 09/30/2017	—	$ —	—	$ 7,169,000
Third quarter of 2017 total	—	$ —	—	$ 7,169,000

(1) Our common stock purchase plan, which authorized the repurchase of up to $40.0 million of our common stock, was authorized by our Board of Directors and publicly announced on July 19, 2010. This plan has no expiration date. We are not obligated to make any purchases under our stock purchase program. Subject to applicable state and federal corporate and securities laws, purchases under a stock purchase program may be made at such times and in such amounts as we deem appropriate. Purchases made under our stock purchase program can be discontinued at any time we feel additional purchases are not warranted.

Item 6. Exhibits

See the Exhibit Index following the signature page to this Quarterly Report on Form 10-Q for a list of exhibits filed or furnished with this report, which Exhibit Index is incorporated herein by reference.

Signature

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

ICU Medical, Inc.

(Registrant)

/s/ Scott E. Lamb — Date: November 9, 2017

Scott E. Lamb
Chief Financial Officer
(Principal Financial Officer)

Exhibit Index

Exhibit 10.1	Credit Agreement, dated as of November 8, 2017, among ICU Medical, Inc., as borrower, certain lenders party thereto and Wells Fargo Bank, N.A., as administrative agent and swingline lender.
Exhibit 31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32.1	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 101.INS	XBRL Instance Document
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

Execution Version

Revolving Credit CUSIP Number: 44931YAB3

$150,000,000

REVOLVING CREDIT AGREEMENT

dated as of November 8, 2017,

by and among

ICU MEDICAL, INC.,
as Borrower,

the Lenders referred to herein,
as Lenders,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent and Swingline Lender,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as an Issuing Lender,

and

WELLS FARGO SECURITIES, LLC,
as Sole Lead Arranger and Sole Bookrunner

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REPRESENTATIONS AND WARRANTIES OF THE CREDIT PARTIES

CREDIT AGREEMENT, dated as of November 8, 2017, by and among **ICU MEDICAL, INC.**, a Delaware corporation, as Borrower, the lenders who are party to this Agreement and the lenders who may become a party to this Agreement pursuant to the terms hereof, as Lenders, and **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, as Administrative Agent for the Lenders.

STATEMENT OF PURPOSE

WHEREAS, the Borrower has requested that the Lenders provide Revolving Credit Commitments in the aggregate principal amount of up to $150,000,000, and the Lenders have indicated their willingness to provide such Revolving Credit Commitments on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, such parties hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Definitions. The following terms when used in this Agreement shall have the meanings assigned to them below:

"Acquisition" means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which any Credit Party or any of its Subsidiaries: (a) acquires all or substantially all of the assets, business or a line of business of any Person, or any division thereof, whether through purchase of assets, merger or otherwise; or (b) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage or voting power) of the outstanding ownership interests of a partnership or limited liability company.

"Administrative Agent" means Wells Fargo, in its capacity as Administrative Agent hereunder, and any successor thereto appointed pursuant to Section 11.6.

"Administrative Agent's Office" means the office of the Administrative Agent specified in or determined in accordance with the provisions of Section 12.1(c).

"Administrative Questionnaire" means an administrative questionnaire in a form supplied by the Administrative Agent.

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

"Agent Parties" has the meaning assigned thereto in Section 12.1(e)(ii).

"Agreement" means this Credit Agreement.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery or corruption, including, without limitation, the UK Bribery Act 2010, as amended, the United States Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

"Anti-Money Laundering Laws" means any and all laws, statutes, regulations or obligatory government orders, decrees, ordinances or rules applicable to a Credit Party, its Subsidiaries or Affiliates related to terrorism financing or money laundering, including any applicable provision of the PATRIOT Act and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"Applicable Law" means all applicable provisions of constitutions, laws, statutes, ordinances, rules, treaties, regulations, permits, licenses, approvals, interpretations and orders of Governmental Authorities and all orders and decrees of all courts and arbitrators.

"Applicable Margin" means the corresponding percentages per annum as set forth below based on the Consolidated Total Leverage Ratio:

Pricing Level	Consolidated Total Leverage Ratio	Commitment Fee	LIBOR +	Base Rate +
I	Less than 1.00 to 1.00	0.15%	1.25%	0.25%
II	Greater than or equal to 1.00 to 1.00, but less than 2.00 to 1.00	0.20%	1.50%	0.50%
III	Greater than or equal to 2.00 to 1.00, but less than 2.50 to 1.00	0.25%	1.75%	0.75%
IV	Greater than or equal to 2.50 to 1.00	0.30%	2.00%	1.00%

The Applicable Margin shall be determined and adjusted quarterly on the date three (3) Business Days after the day on which the Borrower provides an Officer's Compliance Certificate pursuant to Section 8.2(a) for the most recently ended fiscal quarter of the Borrower (each such date commencing with the fiscal quarter in which the Closing Date occurs, a "Calculation Date"); provided that: (a) the Applicable Margin shall be based on Pricing Level I until the first Calculation Date occurs and thereafter, the Pricing Level shall be determined by reference to the Consolidated Total Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date; and (b) if the Borrower fails to provide an Officer's Compliance Certificate when due as required by Section 8.2(a) for the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, the Applicable Margin from the date on which such Officer's Compliance Certificate was required to have been delivered shall be based on Pricing Level IV until such time as such Officer's Compliance Certificate is delivered, at which time the Pricing Level shall be determined by reference to the Consolidated Total Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding such Calculation Date. The applicable Pricing Level shall be effective from one Calculation Date until the next Calculation Date. Any adjustment in the Pricing Level shall be applicable to all Extensions of Credit then existing or subsequently made or issued.

Notwithstanding the foregoing, in the event that any financial statement or Officer's Compliance Certificate delivered pursuant to Section 8.1 or 8.2(a) is shown to be inaccurate (regardless of whether: (x) this Agreement is in effect; (y) any Commitments are in effect; or (z) any Extension of Credit is outstanding when such inaccuracy is discovered or such financial statement or Officer's Compliance Certificate was delivered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an "Applicable Period") than the Applicable Margin applied for such Applicable Period, then: (I) the Borrower shall immediately deliver to the Administrative Agent a corrected Officer's Compliance Certificate for such Applicable Period; (II) the Applicable Margin for such Applicable Period shall be determined as if the Consolidated Total Leverage Ratio in the corrected Officer's Compliance Certificate were applicable for such Applicable Period; and (III) the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent the accrued additional interest and fees owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with Section 5.4. Nothing in this paragraph shall limit the rights of the Administrative Agent and Lenders with respect to Sections 5.1(b) and 10.2 nor any of their other rights under this Agreement or any other Loan Document. The Borrower's obligations under this paragraph shall survive the termination of the Commitments and the repayment of all other Obligations hereunder.

The Applicable Margins set forth above shall be increased as, and to the extent, required by Section 5.13.

"Approved Fund" means any Fund that is administered or managed by: (a) a Lender; (b) an Affiliate of a Lender; or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arranger" means Wells Fargo Securities, LLC in its capacity as sole lead arranger and sole bookrunner.

"Asset Disposition" means the sale, transfer, license, lease or other disposition of any Property (including any disposition of Equity Interests) by any Credit Party or any Subsidiary thereof (or the granting of any option or other right to do any of the foregoing), and any issuance of Equity Interests by any Subsidiary of the Borrower to any Person that is not a Credit Party or any Subsidiary thereof. The term "Asset Disposition" shall not include: (a) the sale of inventory in the ordinary course of business; (b) the transfer of assets to the Borrower or any Subsidiary Guarantor pursuant to any other transaction permitted pursuant to Section 9.4; (c) the write-off, discount, sale or other disposition of defaulted or past-due receivables and similar obligations in the ordinary course of business and not undertaken as part of an accounts receivable financing

transaction; (d) the disposition of any Hedge Agreement; (e) the use of cash in the ordinary course of business and dispositions of Investments in cash, Cash Equivalents, or short-term marketable debt securities; (f) the transfer by any Credit Party of its assets to any other Credit Party; (g) the transfer by any Non-Guarantor Subsidiary of its assets to any Credit Party (provided that in connection with any new transfer, such Credit Party shall not pay more than an amount equal to the fair market value of such assets as determined in good faith at the time of such transfer); and (h) the transfer by any Non-Guarantor Subsidiary of its assets to any other Non-Guarantor Subsidiary.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 12.9), and accepted by the Administrative Agent, in substantially the form attached as Exhibit G or any other form approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date of determination, (a) in respect of any Capital Lease of any Person, the Capitalized Lease Obligations in respect thereof, and (b) in respect of any Synthetic Lease of any Person, the capitalized amount or principal amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease Obligation.

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

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Bankruptcy Code" means 11 U.S.C. §§ 101 *et seq*.

"Base Rate" means, at any time, the highest of: (a) the Prime Rate; (b) the Federal Funds Rate *plus* 0.50%; and (c) the LIBOR Rate for an Interest Period of one month plus 1.00%; each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Rate, or the LIBOR Rate (provided that clause (c) shall not be applicable during any period in which the LIBOR Rate is unavailable or unascertainable). Notwithstanding the foregoing, if the Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Base Rate Loan" means any Loan bearing interest at a rate based upon the Base Rate, as provided in Section 5.1(a).

"Borrower" means ICU Medical, Inc., a Delaware corporation.

"Borrower Materials" has the meaning assigned thereto in Section 8.2.

"Business Day" means: (a) for all purposes other than as set forth in clause (b) below, any day other than a Saturday, Sunday or legal holiday on which banks in New York, New York are open for the conduct of their commercial banking business; and (b) with respect to all notices and determinations in connection with, and payments of principal and interest on, any LIBOR Rate Loan, or any Base Rate Loan as to which the interest rate is determined by reference to LIBOR, any day that is a Business Day described in clause (a) and that is also a London Banking Day.

"Calculation Date" has the meaning assigned thereto in the definition of Applicable Margin.

"Capital Expenditures" means, with respect to the Borrower and its Subsidiaries on a Consolidated basis, for any period, the additions to property, plant and equipment and software development costs that are (or would be) set forth under "cash flows from investment activities" in a consolidated statement of cash flows of such Person for such period prepared in accordance with GAAP, but excluding: (a) expenditures for the restoration, repair or replacement of any fixed or capital asset which was destroyed or damaged, in whole or in part, to the extent financed by the proceeds of an insurance policy maintained by such Person; and (b) any expenditure to the extent constituting Permitted Acquisition Consideration (for the avoidance of doubt, in connection with any calculation of Consolidated Fixed Charge Coverage Ratio, Capital Expenditures shall be calculated on a Pro Forma Basis).

"Capital Lease" means, as to any Person, any lease (or other arrangement conveying the right to use) of Property (whether real, personal or mixed) by such Person as lessee that, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of such Person.

"Capital Lease Obligations" of any Person means, on any date of determination, in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP.

"Cash Collateralize" means, to deposit in a Controlled Account located in the United States or to pledge and deposit with, or deliver to the Administrative Agent, or directly to the applicable Issuing Lender (with notice thereof to the Administrative Agent) for the benefit of one or more of the Issuing Lenders, the Swingline Lender or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations or Swingline Loans, cash or deposit account balances or, if the Administrative Agent and the applicable Issuing Lender and the Swingline Lender shall agree, in their sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to the Administrative Agent, such Issuing Lender and the Swingline Lender, as applicable. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means, collectively: (a) marketable direct obligations issued or unconditionally guaranteed by the United States, Germany, France, Denmark, Norway, Sweden, Switzerland, The Netherlands or any agency thereof with maturities not exceeding two years from the date of acquisition thereof; (b) marketable direct obligations issued by any state, commonwealth or territory of the United States or any political subdivision of any such state, commonwealth or territory, as applicable, with maturities not exceeding two years from the date of acquisition thereof and having, at the time of the acquisition thereof, one of the two highest ratings obtainable from either S&P, Moody's or Fitch; (c) commercial paper maturing no more than one year from the date of creation thereof and currently having a rating of at least A-1 from S&P, P-1 from Moody's or F1 from Fitch; (d) certificates of deposit maturing no more than one year from the date of creation thereof issued by commercial banks incorporated under the laws of the United States, each having combined capital, surplus and undivided profits of not less than $500,000,000 and having a rating of "A" or better by a nationally recognized rating agency; (e) repurchase agreements entered into by any Person with a commercial bank described in clause (d) above (including any of the Lenders) for direct obligations issued or fully guaranteed by the United States; (f) time deposits maturing no more than one year from the date of creation thereof with commercial banks or savings banks or savings and loan associations each having membership either in the FDIC or the deposits of which are insured by the FDIC and in amounts not exceeding the maximum amounts of insurance thereunder; (g) securities with maturities of two years or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, or by any political subdivision or taxing authority thereof, having one of the two highest rating categories obtainable from either Moody's or S&P (or reasonably equivalent ratings of another internationally recognized rating agency); (h) marketable short-term money market and similar securities having a rating of at least "P-2" or "A-2" from either Moody's or S&P (or reasonably equivalent ratings of another internationally recognized rating agency); and (i) shares of any money market mutual fund that: (i) has at least 95% of its assets invested continuously in the types of investments referred to in clauses (a) through (h) above; (ii) has net assets of not less than $2,000,000,000; and (iii) has the highest rating obtainable from either S&P or Moody's.

"Cash Management Agreement" means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card (including non-card electronic payables), electronic funds transfer (including automated clearing house funds transfers), and other cash management arrangements.

"Cash Management Bank" means any Person that: (a) at the time it enters into a Cash Management Agreement with a Credit Party or any Subsidiary, is the Administrative Agent or an Affiliate of the Administrative Agent; or (b) at the time it enters into a Cash Management Agreement with a Credit Party or any Subsidiary, is a Lender or an Affiliate of a Lender, and is designated by written notice to the Administrative Agent from the Borrower as a "Cash Management Bank"; or (c) at the time it (or its Affiliate) becomes a Lender (including on the Closing Date), is a party to a Cash Management Agreement with a Credit Party or any Subsidiary and is designated by written notice to the Administrative Agent from the Borrower as a "Cash Management Bank."

"CFC" means any Person that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

"Change in Control" means an event or series of events by which:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the 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 Equity Interests 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 more than thirty-five percent (35%) of the Equity Interests of the Borrower entitled to vote in the election of members of the board of directors (or equivalent governing body) of the Borrower; or

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

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

"Class" means, when used in reference to any Loan, whether such Loan is a Revolving Credit Loan or Swingline Loan.

"Closing Date" means the date of this Agreement.

"Code" means the United States Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Collateral" means the collateral security for the Secured Obligations pledged or granted (or purported to be pledged or granted) pursuant to any of the Security Documents.

"Collateral Agent" has the meaning assigned thereto in Section 11.1(b).

"Collateral Agreement" means the collateral agreement of even date herewith executed by the Credit Parties in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, which shall be in form and substance acceptable to the Administrative Agent.

"Commitment Fee" has the meaning assigned thereto in Section 5.3(a).

"Commitment Percentage" means, as to any Lender, such Lender's Revolving Credit Commitment Percentage.

"Commitments" means, collectively, as to all Lenders, the Revolving Credit Commitments of such Lenders.

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

"Competitor" means any Person designated in writing by the Borrower to the Administrative Agent that is a bona fide direct competitor of the Borrower or any of its Subsidiaries in a principal line of business of the Borrower and its Subsidiaries, considered as a whole.

"Consolidated" means, when used with reference to financial statements or financial statement items of any Person, such statements or items on a consolidated basis in accordance with applicable principles of consolidation under GAAP.

"Consolidated Adjusted EBITDA" means, for any period, the sum of the following determined on a Consolidated basis, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP: (a) Consolidated Net Income for such period; *plus* (b) the sum of the following, without duplication, to the extent deducted in determining Consolidated Net Income for such period: (i) income and franchise Taxes; (ii) Consolidated Interest Expense; (iii) amortization, depreciation and other non-cash charges (except to the extent that such non-cash charges are reserved for cash charges to be taken in the future),

including adjustments arising under purchase accounting for the Hospira Acquisition; (iv) extraordinary losses (excluding extraordinary losses from discontinued operations); (v) non-cash stock option, restricted stock payments and other equity-based compensation expenses; (vi) Transaction Costs related to any issuance of Indebtedness permitted pursuant to Section 9.1 (other than the issuance of Indebtedness pursuant to this Agreement and the other Loan Documents); (vii) any remediation costs and restructuring costs (including severance and retention expenses), integration costs, and write-offs of intangibles in connection with a Permitted Acquisition, in each case with respect to such Permitted Acquisition, to the extent paid or made within twelve (12) months of the closing of such Permitted Acquisition, as applicable; provided that the aggregate amount added back pursuant to this clause (vii) during any period of four (4) consecutive fiscal quarters shall not exceed the greater of (i) 15% of Consolidated Adjusted EBITDA for such four quarter period and (ii) for each of the following four quarter periods ending: (a) December 31, 2017 and March 31, 2018, $85,000,000, (b) June 30, 2018 and September 30, 2018: $65,000,000, (c) December 31, 2018 and March 31, 2019: $45,000,000, (d) June 30, 2019 and September 30, 2019: $35,000,000, and (e) December 31, 2019: $15,000,000) (provided that there shall be no such add-backs pursuant to this clause (ii) after December 31, 2019); (viii) legal counsel fees incurred in connection with litigation items (related to the Hospira Acquisition) described on Schedule 1.1(b), (ix) any amounts (other than legal counsel fees) incurred in connection with litigation items (related to the Hospira Acquisition) described on Schedule 1.1(b) not to exceed $35,000,000 over the life of the Revolving Credit Facility and (x) any expenses and amounts paid or advanced to the extent that a corresponding amount is received or has been received during or prior to the relevant measurement period in cash by the Borrower or any Subsidiary under any agreement or insurance policy providing for reimbursement of or indemnity for such expense or amount; *less* (c) the sum of the following, without duplication, to the extent included in the determination of Consolidated Net Income for such period: (i) interest income, (ii) any extraordinary gains and (iii) non-cash gains or non-cash items increasing Consolidated Net Income. For purposes of this Agreement, Consolidated Adjusted EBITDA shall be calculated on a Pro Forma Basis.

"Consolidated Fixed Charge Coverage Ratio" means, as of any date of determination, the ratio of: (a) Consolidated Adjusted EBITDA less the sum of (i) Capital Expenditures (except to the extent funded with the proceeds of Indebtedness allowed to be incurred under Section 9.1(d)) , (ii) federal, state, local and foreign income Taxes paid in cash and (iii) cash Restricted Payments made after the Closing Date (other than (A) Restricted Payments on account of, or with respect to, any Equity Interests of any Subsidiary if made to the Borrower or any other Subsidiary except for Restricted Payments on account of, or with respect to, any Equity Interests of any Subsidiary that is a Credit Party if made to a Subsidiary that is not a Credit Party, unless and to the extent such Restricted Payment is then immediately distributed or dividended to a Credit Party, and (B) any Restricted Payments permitted pursuant to Sections 9.6(a), (d), (e), (f) or (h)), in each case for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date; to (b) Consolidated Fixed Charges for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date, calculated on a Pro Forma Basis.

"Consolidated Fixed Charges" means, for any period, the sum of the following determined on a Consolidated basis for such period, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP: (a) Consolidated Interest Expense paid or payable in cash; and (b) scheduled principal payments with respect to Indebtedness of the types described in clauses (a), (b) (but excluding any cash payments in respect of purchase price adjustment, earn-outs, holdbacks or deferred payments of a similar nature in connection with any Acquisition permitted under this Agreement and excluding payments in respect of intercompany Indebtedness), (c), (d), (e), (f) and (g) of the definition of "Indebtedness."

"Consolidated Interest Expense" means, for any period, the sum of the following determined on a Consolidated basis, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP, interest expense (including, without limitation, interest expense attributable to Capital Lease Obligations and all net payment obligations pursuant to Hedge Agreements) for such period.

"Consolidated Net Income" means, for any period, the net income (or loss) of the Borrower and its Subsidiaries for such period, determined on a Consolidated basis, without duplication, in accordance with GAAP; provided that in calculating Consolidated Net Income of the Borrower and its Subsidiaries for any period, there shall be excluded: (a) the net income (or loss) of any Person (other than a Subsidiary which shall be subject to clause (c) below), in which the Borrower or any of its Subsidiaries has a joint interest with a third party, except to the extent such net income is actually paid in cash to the Borrower or any of its Subsidiaries by dividend or other distribution during such period; (b) the net income (or loss) of any Person accrued prior to the date it becomes a Subsidiary of the Borrower or any of its Subsidiaries, or is merged into or consolidated with the Borrower or any of its Subsidiaries, or that Person's assets are acquired by the Borrower or any of its Subsidiaries; (c) the net income (if positive), of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary to the Borrower or any of its Subsidiaries of such net income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Subsidiary, but in each case only to the extent of such prohibition; and (d) any net after-tax gains or losses attributable to Asset Dispositions in excess of $25,000,000 in any period of four (4) consecutive fiscal quarters (other than any Asset Disposition permitted under Section 9.5(c), Section 9.5(d) or Section 9.5(i)) during such period.

"Consolidated Total Assets" means, as of any date of determination with respect to the Borrower and its Subsidiaries on a Consolidated basis, the book value of the total assets of the Borrower and its Subsidiaries, as determined in accordance with GAAP.

"Consolidated Total Funded Indebtedness" means, as of any date of determination with respect to the Borrower and its Subsidiaries on a Consolidated basis without duplication, the sum of all Indebtedness of the Borrower and its Subsidiaries of the type described in clauses (a), (b) (but excluding any obligations in respect of purchase price adjustments, earn-outs, holdbacks or deferred payments of a similar nature in connection with any Acquisition permitted under this Agreement), (c), (e), (f) (limited to the amounts thereunder that have been drawn and not reimbursed), (g) and (i) (but only to the extent relating to the foregoing clauses) of the definition of "Indebtedness."

"Consolidated Total Leverage Ratio" means, as of any date of determination, the ratio of: (a) Consolidated Total Funded Indebtedness on such date; to (b) Consolidated Adjusted EBITDA for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date.

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

"Control Agreement" means an agreement, satisfactory in form and substance to the Administrative Agent and executed by the financial institution or securities intermediary at which a Deposit Account or a Securities Account, as the case may be, is maintained, pursuant to which such financial institution or securities intermediary confirms and acknowledges the Administrative Agent's security interest in such account, and agrees that the financial institution or securities intermediary, as the case may be, will comply with instructions originated by the Administrative Agent as to disposition of funds in such account, without further consent by the Borrower or any Subsidiary (it being agreed as between the Administrative Agent, Lenders and the Credit Parties that the Administrative Agent shall not originate such instructions except upon the occurrence and during the continuance of a Default).

"Controlled Account" means each Deposit Account and Securities Account that is subject to a Control Agreement.

"Credit Facility" means, collectively, the Revolving Credit Facility, the Swingline Facility, and the L/C Facility.

"Credit Parties" means, collectively, the Borrower and the Subsidiary Guarantors.

"Debt Issuance" means the issuance of any Indebtedness for borrowed money by any Credit Party or any of its Subsidiaries.

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

"Default" means any of the events specified in Section 10.1 which with the passage of time, the giving of notice or any other condition, would constitute an Event of Default.

"Defaulting Lender" means, subject to Section 5.15(b), any Lender that: (a) has failed to: (i) fund all or any portion of the Revolving Credit Loans, participations in L/C Obligations or participations in Swingline Loans required to be funded by it hereunder within two (2) Business Days of the date such Loans or participations were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's good-faith determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied; or (ii) pay to the Administrative Agent, any Issuing Lender, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swingline Loans) within two (2) Business Days of the date when due; (b) has notified the Borrower, the Administrative Agent, any Issuing Lender or the Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's good-faith determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied); (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that

such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower); (d) has, or has a direct or indirect parent company that has: (i) become the subject of a proceeding under any Debtor Relief Law; 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 FDIC or any other state or federal regulatory authority acting in such a capacity or (e) has become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 5.15(b)) upon delivery of written notice of such determination to the Borrower, each Issuing Lender, the Swingline Lender and each Lender.

"Deposit Account" means a demand, time, savings, passbook or similar account maintained with a Person engaged in the business of banking, including a savings bank, savings and loan association, credit union or trust company.

"Discharge of the Obligations" means the termination of all Commitments, payment in full, in cash, of all of the Obligations (other than any unasserted contingent reimbursement or indemnity obligations) and the termination, expiration or Cash Collateralization of all Letters of Credit.

"Discharge of the Secured Obligations" means the termination of all Commitments, payment in full, in cash, of all of the Secured Obligations (other than any unasserted contingent reimbursement or indemnity obligations), the termination of all Secured Hedge Agreements and Secured Cash Management Agreements (or with respect to Secured Hedge Agreements and Secured Cash Management Agreements, other arrangements satisfactory to the applicable Hedge Banks and Cash Management Banks) and the termination, expiration or Cash Collateralization of all Letters of Credit.

"Disposition Consideration" means, with respect to any disposition of assets or series of related dispositions of assets, the lower of: (a) the aggregate fair market value of the assets sold, transferred, licensed, leased or otherwise disposed of in such disposition or series of related dispositions; and (b) the gross proceeds yielded to the Borrower or any Subsidiary from such disposition or series of related dispositions.

"Disqualified Equity Interests" means any Equity Interests that, by their terms (or by the terms of any security or other Equity Interest into which they are convertible or for which they are exchangeable) or upon the happening of any event or condition: (a) mature or are mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control, fundamental change, or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control, fundamental change, or asset sale event shall be subject to the prior Discharge of the Obligations); (b) are redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests) (except as a result of a change of control, fundamental change, or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control, fundamental change, or asset sale event shall be subject to the prior Discharge of the Obligations), in whole or in part; (c) require any scheduled payment of dividends in cash; or (d) are or become convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is ninety-one (91) days after the Revolving Credit Maturity Date; provided that if such Equity Interests are issued pursuant to a plan for the benefit of the Borrower or its Subsidiaries or by any such plan to such employees, such Equity Interests shall not constitute Disqualified Equity Interests solely because they may be required to be repurchased by the Borrower or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability.

"Disqualified Institution" means, on any date: (a) any Competitor designated by the Borrower as a "Disqualified Institution" by written notice delivered to the Administrative Agent prior to the date hereof; and (b) any other Person that is a Competitor of the Borrower or any of its Subsidiaries, which Person has been designated by the Borrower as a "Disqualified Institution" by written notice (which notice shall specify such Person by exact legal name) to the Administrative Agent; provided that the list of Persons identified pursuant to clause (b) may be updated from time to time after the Closing Date; provided, further, that "Disqualified Institutions" shall exclude any Person that the Borrower has designated as no longer being a "Disqualified Institution" by written notice delivered to the Administrative Agent from time to time until such time as Borrower has subsequently provided written notice pursuant to the terms hereof that such Person is a "Disqualified Institution"; provided, further, that none of the foregoing Persons designated as a Disqualified Institution pursuant to clause (a) or (b) above shall be a Disqualified Institution to the extent of any Commitments or Loans that were allocated to such Person, were assigned

to such Person, or in which such Person was participating, in each case prior to the proper designation of such Person as a Disqualified Institution pursuant to clause (a) or (b) above.

"Dollars" or "$" means, unless otherwise qualified, dollars in lawful currency of the United States.

"Domestic Subsidiary" means any Subsidiary organized under the laws of any political subdivision of the United States.

"DQ List" has the meaning set forth in Section 12.9(f)(iv)(A).

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

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, the United Kingdom, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any credit institution or investment firm established in any EEA Member Country.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 12.9(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 12.9(b)(iii)). For the avoidance of doubt, any Disqualified Institution is subject to Section 12.9(f).

"Employee Benefit Plan" means (a) any employee benefit plan within the meaning of Section 3(3) of ERISA that is maintained for employees of any Credit Party or any ERISA Affiliate or (b) any Pension Plan or Multiemployer Plan that has at any time within the preceding seven (7) years been maintained, funded or administered for the employees of any Credit Party or any current or former ERISA Affiliate.

"Environment" shall mean ambient air, indoor air, surface water, groundwater, drinking water, land surface, sediments, subsurface strata and natural resources such as wetlands, flora and fauna.

"Environmental Claims" means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, accusations, allegations, notices of noncompliance or violation, notices of potential responsibility or any other governmental investigations or proceedings (other than internal reports prepared by any Person in the ordinary course of business and not in response to any third party action or request of any kind) relating in any way to any actual or alleged violation of or liability under any Environmental Law or relating to any permit issued, or any approval given, under any such Environmental Law, including, without limitation, any and all claims by Governmental Authorities for enforcement, cleanup, investigation, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to human health or the Environment.

"Environmental Laws" means any and all applicable federal, foreign, state, provincial and local laws, statutes, ordinances, codes, rules, standards and regulations, permits, licenses, approvals, interpretations and orders of courts or Governmental Authorities, relating to pollution and the protection of human health or the Environment.

"Equity Interests" means: (a) in the case of a corporation, capital stock; (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock; (c) in the case of a partnership, partnership interests (whether general or limited); (d) in the case of a limited liability company, membership interests; (e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person; and (f) any and all warrants, rights or options to purchase any of the foregoing (including through convertible securities, but excluding debt securities and other Indebtedness for borrowed money convertible into or exchangeable for any of the foregoing).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations thereunder.

"ERISA Affiliate" means any Person who together with any Credit Party is treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA.

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

"Eurodollar Reserve Percentage" means, for any day, the percentage which is in effect for such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any basic, supplemental or emergency reserves) in respect of eurocurrency liabilities or any similar category of liabilities for a member bank of the Federal Reserve System in New York City.

"Event of Default" means any of the events specified in Section 10.1; provided that any requirement for passage of time, giving of notice, or any other condition, has been satisfied.

"Exchange Act" means the Securities Exchange Act of 1934.

"Excluded Subsidiary" means (a) (i) any CFC and any direct or indirect Subsidiary of a CFC and (ii) any Foreign Subsidiary Holding Company and any direct or indirect subsidiary of a Foreign Subsidiary Holding Company, (b) Unrestricted Subsidiaries, (c) any Subsidiary that is prohibited by applicable law, rule or regulation or by any contractual obligation with an unaffiliated third party binding on such Subsidiary at the time such Subsidiary is acquired (and not entered into in contemplation thereof), from guaranteeing the Obligations or which would require governmental (including regulatory) consent, approval, license or authorization to provide a guarantee unless such consent, approval, license or authorization has been received, (d) any Subsidiary for which obtaining a Guarantee from such Subsidiary would result in material adverse tax consequences to Borrower or any of its direct or indirect Subsidiaries, as reasonably determined in writing by Borrower in consultation with the Administrative Agent, (e) any Subsidiary where the Administrative Agent and the Borrower agree that the cost of obtaining a Guarantee by such Subsidiary would be excessive in light of the practical benefit to the Lenders afforded thereby and (f) any Subsidiary (i) the assets of which constitute less than 2.5% of the total assets of the Borrower and its Subsidiaries or (ii) the gross revenues of which constitute less than 2.5% of the gross revenues of the Borrower and its Subsidiaries, in each case as of the end of the Test Period most recently ended; provided that, if at the end of or for any Test Period during the term of this Agreement, the aggregate assets or aggregate gross revenues of all Restricted Subsidiaries that would constitute Excluded Subsidiaries under clauses (f)(i) and (f)(ii) above shall exceed 5% of the total assets or total gross revenues of the Borrower and its Subsidiaries (as applicable), then one or more of such Excluded Subsidiaries designated by the Borrower shall for all purposes of this Agreement cease to be Excluded Subsidiaries to the extent required to eliminate such excess.

"Excluded Swap Obligation" means, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the liability of such Credit Party for or the guarantee of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any liability or guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Credit Party's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the liability for or the guarantee of such Credit Party or the grant of such security interest becomes effective with respect to such Swap Obligation (such determination being made after giving effect to any applicable keepwell, support or other agreement for the benefit of the applicable Credit Party, including under Section 1(d) of the Guaranty Agreement). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal for the reasons identified in the immediately preceding sentence of this definition.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case: (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof); or (ii) that are Other Connection Taxes; (b) in the case of a Lender, United States federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to an Applicable Law in effect on the date on which: (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 5.12(b)); or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.11, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender

became a party hereto or to such Lender immediately before it changed its lending office; (c) Taxes attributable to such Recipient's failure to comply with Section 5.11(g); and (d) any United States federal withholding Taxes imposed under FATCA.

"Extended Revolving Credit Commitment" means any Class of Revolving Credit Commitments the maturity of which shall have been extended pursuant to Section 5.16.

"Extended Revolving Credit Loans" means any Revolving Credit Loans made pursuant to the Extended Revolving Credit Commitments.

"Extension" has the meaning set forth in Section 5.16(a).

"Extension Amendment" means an amendment to this Agreement (which may, at the option of the Administrative Agent and the Borrower, be in the form of an amendment and restatement of this Agreement) among the Credit Parties, the applicable extending Lenders, the Administrative Agent and, to the extent required by Section 5.16, the Issuing Lender and/or the Swingline Lender implementing an Extension in accordance with Section 5.16.

"Extension Offer" has the meaning set forth in Section 5.16(a).

"Extensions of Credit" means, as to any Lender at any time, (a) an amount equal to the sum of (i) the aggregate principal amount of all Revolving Credit Loans made by such Lender then outstanding, (ii) such Lender's Revolving Credit Commitment Percentage of the L/C Obligations then outstanding and (iii) such Lender's Revolving Credit Commitment Percentage of the Swingline Loans then outstanding, or (b) the making of any Loan or participation in any Letter of Credit by such Lender, as the context requires.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations promulgated thereunder or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"FDA" means the Food and Drug Administration of the United States or any successor entity thereto.

"FDIC" means the Federal Deposit Insurance Corporation.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day (or, if such day is not a Business Day, for the immediately preceding Business Day), as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that if such rate is not so published for any day which is a Business Day, the Federal Funds Rate for such date shall be the average of the quotation for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by the Administrative Agent. Notwithstanding the foregoing, if the Federal Funds Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Federal Food, Drug, and Cosmetic Act" means 21 U.S.C. § 301 *et seq.*

"Fee Letters" means: (a) the separate fee letter agreement dated October 10, 2017, among the Borrower, the Arranger and Wells Fargo; and (b) any letter between the Borrower and any Issuing Lender (other than Wells Fargo) relating to certain fees payable to such Issuing Lender in its capacity as such.

"Fiscal Year" means the fiscal year of the Borrower and its Subsidiaries ending on December 31.

"Flood Insurance Laws" means, collectively, (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto, (iv) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (v) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Foreign Casualty Event" means any Insurance and Condemnation Event resulting in the receipt of Net Cash Proceeds by a Foreign Subsidiary and giving rise to a prepayment pursuant to Section 2.4(d).

"Foreign Disposition" means any Asset Disposition resulting in the receipt of Net Cash Proceeds by a Foreign Subsidiary and giving rise to a prepayment pursuant to Section 2.4(d).

"Foreign Lender" means: (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person; and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Foreign Subsidiary Holding Company" means any direct or indirect Domestic Subsidiary of the Borrower that has no material assets other than the Equity Interests in one or more Foreign Subsidiaries that are CFCs.

"Fronting Exposure" means, at any time there is a Defaulting Lender: (a) with respect to any Issuing Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of the outstanding L/C Obligations with respect to Letters of Credit issued by such Issuing Lender, other than such L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof; and (b) with respect to the Swingline Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of outstanding Swingline Loans other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

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

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

"Governmental Approvals" means all authorizations, consents, approvals, permits, licenses, clearances and exemptions of, and all registrations and filings with or issued by, any Governmental Authorities.

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

"Guarantee" of or by any Person (the "Guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect: (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof; (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof; (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation; (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; or (e) for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (whether in whole or in part); provided that the term "Guarantee" shall not include endorsements for collection or deposit, in either case, in the ordinary course of business, or customary and reasonable indemnity obligations in connection with any disposition of assets permitted under this Agreement (other than any such obligations with respect to Indebtedness).

"Guarantor" has the meaning assigned thereto in the definition of Guarantee.

"Guaranty Agreement" means the unconditional guaranty agreement of even date herewith executed by the Borrower and the Subsidiary Guarantors in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, which shall be in form and substance acceptable to the Administrative Agent.

"Hazardous Materials" shall mean petroleum, petroleum hydrocarbons or petroleum products, petroleum by-products, asbestos, asbestos containing materials, polychlorinated biphenyls, chlorofluorocarbons, radon gas, medical waste or toxic mold and any other chemicals, materials, substances, wastes, pollutants or contaminants, constituents or compounds in any form, regulated or which can give rise to liability under any Environmental Law.

"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.

"Hedge Bank" means any Person that: (a) at the time it enters into a Hedge Agreement with a Credit Party permitted under Article IX, is the Administrative Agent or an Affiliate of the Administrative Agent (unless the Administrative Agent provides written notice to the Borrower that the Administrative Agent has designated such Hedge Agreement as not constituting a Secured Hedge Agreement); (b) at the time it enters into a Hedge Agreement with a Credit Party or any Subsidiary permitted under Article IX, is a Lender or an Affiliate of a Lender, and is designated by written notice to the Administrative Agent from the Borrower and such Person as a "Hedge Bank"; or (c) at the time it (or its Affiliate) becomes a Lender (including on the Closing Date), is a party to a Hedge Agreement with a Credit Party or any Subsidiary, in each case in its capacity as a party to such Hedge Agreement, and is designated by written notice to the Administrative Agent from the Borrower and such Person as a "Hedge Bank."

"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 such 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).

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996, as the same may be amended, modified or supplemented from time to time, any successor statute thereto, any and all rules or regulations promulgated from time to time thereunder, and any comparable state laws.

"Hospira Acquisition" means the acquisition by the Borrower of the Hospira global infusion therapy business division from Pfizer, Inc., which occurred on February 6, 2017, on the terms and conditions set forth in the Hospira Acquisition Agreement.

"Hospira Acquisition Agreement" means that certain Amended and Restated Stock and Asset Purchase Agreement, dated January 5, 2017, between the Borrower and Pfizer, Inc.

"Increased Amount Date" has the meaning assigned thereto in Section 5.13(a)(i).

"Incremental Facilities Limit" means the greater of (x) $100,000,000 and (y) an amount such that, immediately after giving effect to the incurrence of such Incremental Revolving Credit Increase and any Permitted Acquisition consummated in connection therewith, and assuming that the Revolving Credit Facility, after giving effect to such increase, is fully drawn, the Borrower would be in compliance, on a Pro Forma Basis, with a Consolidated Total Leverage Ratio of not more than 2.00 to 1.00.

"Incremental Lender" has the meaning assigned thereto in Section 5.13(a)(i).

"Incremental Revolving Credit Commitment" has the meaning assigned thereto in Section 5.13(a)(i).

"Incremental Revolving Credit Increase" has the meaning assigned thereto in Section 5.13(a)(i).

"Indebtedness" means, with respect to any Person at any date and without duplication, the sum of the following:

(a) all liabilities, obligations and indebtedness for borrowed money including, but not limited to, obligations evidenced by bonds, debentures, notes or other similar instruments of any such Person;

(b) all obligations to pay the deferred purchase price of property or services of any such Person, except: (i) operating leases, licenses, trade payables, and accrued liabilities, in each case arising in the ordinary course of business not more than ninety (90) days past due, or that are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of such Person; (ii) deferred compensation payable to directors, officers and employees of the Borrower or any Subsidiary so long as such compensation: (A) is incurred in the ordinary course of business and pursuant to any incentive compensation plan adopted by the board of directors of the Borrower in the ordinary course of business; and (B) is not evidenced by a note or similar written instrument (other than such incentive compensation plan's governing documentation or any grant notices issued thereunder); (iii) any purchase price adjustment, earn-out (other than Qualified Earn-Out Payments), holdback or deferred payment of a similar nature incurred in connection with an Acquisition permitted under this Agreement so long as not evidenced by a note or similar written instrument (except to the extent that the amount payable pursuant to such purchase price adjustment, earn-out, holdback or deferred payment is reflected, or would otherwise be required to be reflected, on a balance sheet prepared in accordance with GAAP); and (iv) obligations in respect of non-competition agreements or similar arrangements (except for such payments that are accounted for as acquisition consideration under GAAP);

(c) such Person's Capital Lease Obligations and the Attributable Indebtedness of such Person with respect to such Person's Synthetic Leases;

(d) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person to the extent of the value of such property (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business);

(e) all Indebtedness of any other Person secured by a Lien on any asset owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements except trade payables arising in the ordinary course of business), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all obligations, contingent or otherwise, of any such Person relative to the face amount of letters of credit, whether or not drawn, including, without limitation, any Reimbursement Obligation, and banker's acceptances, bank guarantees and similar instruments issued for the account of any such Person;

(g) all obligations of any such Person in respect of Disqualified Equity Interests;

(h) the Hedge Termination Value owed by of such Person under any Hedge Agreements; and

(i) all Guarantees of any such Person with respect to any of the foregoing.

For the avoidance of doubt, Qualified Earn-Out Payments shall not be treated as Indebtedness for any purposes hereunder.

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

"Information" has the meaning assigned thereto in Section 12.10.

"Initial Issuing Lender" means Wells Fargo, in its capacity as an Issuing Lender, or any successor thereto.

"Insurance and Condemnation Event" means the receipt by any Credit Party or any of its Subsidiaries of any cash insurance proceeds or condemnation award payable by reason of theft, loss, physical destruction or damage, taking or similar event with respect to any of their respective Property.

"Interest Period" means, as to each LIBOR Rate Loan, the period commencing on the date such LIBOR Rate Loan is disbursed or converted to or continued as a LIBOR Rate Loan and ending on the date one (1), two (2), three (3), or six (6) months thereafter (or if available and agreed to by all of the relevant Lenders, twelve (12) months thereafter), in each case as selected by the Borrower in its Notice of Borrowing or Notice of Conversion/Continuation and subject to availability; provided that:

(a) the Interest Period shall commence on the date of advance of or conversion to any LIBOR Rate Loan and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the immediately preceding Interest Period expires;

(b) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided that if any Interest Period with respect to a LIBOR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day;

(c) any Interest Period with respect to a LIBOR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period;

(d) no Interest Period shall extend beyond the Revolving Credit Maturity Date; and

(e) there shall be no more than six (6) Interest Periods in effect at any time.

"Investment" has the meaning assigned thereto in Section 9.3.

"Investment Company Act" means the Investment Company Act of 1940 (15 U.S.C. § 80(a)(1), *et seq.*).

"IRS" means the United States Internal Revenue Service.

"ISP98" means the International Standby Practices (1998 Revision, effective January 1, 1999), International Chamber of Commerce Publication No. 590.

"Issuing Lender" means: ((i) the Initial Issuing Lender; and/or (ii) any other Revolving Credit Lender that has agreed in its sole discretion to act as an "Issuing Lender" hereunder and that has been approved in writing by the Borrower and the Administrative Agent (such approval by the Administrative Agent not to be unreasonably delayed or withheld) as an "Issuing Lender" hereunder, in each case in its capacity as issuer of any Letter of Credit.

"L/C Commitment" means, as to any Issuing Lender, the obligation of such Issuing Lender to issue Letters of Credit for the account of the Borrower or one or more of its Subsidiaries from time to time in an aggregate amount equal to: (a) for each Initial Issuing Lender, the amount set forth opposite the name of such Initial Issuing Lender on Schedule 1.1(a); and (b) for any other Issuing Lender becoming an Issuing Lender after the Closing Date, such amount as separately agreed to in a written agreement between the Borrower and such Issuing Lender (which such agreement shall be promptly delivered to the Administrative Agent upon execution), in each case of clauses (a) and (b) above, any such amount may be changed after the Closing Date in a written agreement between the Borrower and such Issuing Lender (which such agreement shall be promptly delivered to the Administrative Agent upon execution); provided that the L/C Commitment with respect to any Person that ceases to be an Issuing Lender for any reason pursuant to the terms hereof shall be $0 (subject to the Letters of Credit of such Person remaining outstanding in accordance with the provisions hereof).

"L/C Facility" means the letter of credit facility established pursuant to Article III.

"L/C Obligations" means at any time, an amount equal to the sum of: (a) the aggregate undrawn and unexpired amount of the then outstanding Letters of Credit; and (b) the aggregate amount of drawings under Letters of Credit which have not then been reimbursed pursuant to Section 3.5. For all purposes of this Agreement, if on any date of determination a Letter

of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of ISP98, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"L/C Participants" means, with respect to any Letter of Credit, the collective reference to all the Revolving Credit Lenders other than the applicable Issuing Lender.

"L/C Sublimit" means the lesser of: (a) $15,000,000; and (b) the Revolving Credit Commitment.

"LCA Election" shall have the meaning provided in Section 1.11.

"LCA Test Date" shall have the meaning provided in Section 1.11.

"Lender" means each Person executing this Agreement as a Lender on the Closing Date and any other Person that shall have become a party to this Agreement as a Lender pursuant to an Assignment and Assumption, other than any Person that ceases to be a party hereto as a Lender pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term "Lenders" includes the Swingline Lender.

"Lending Office" means, with respect to any Lender, the office of such Lender maintaining such Lender's Extensions of Credit.

"Letter of Credit Application" means an application, in the form specified by the applicable Issuing Lender from time to time, requesting such Issuing Lender to issue a Letter of Credit.

"Letters of Credit" means the letters of credit issued pursuant to Section 3.1.

"LIBOR" means, subject to the implementation of a Replacement Rate in accordance with Section 5.8(c);

(a) for any interest rate calculation with respect to a LIBOR Rate Loan, the rate of interest per annum determined on the basis of the rate for deposits in Dollars for a period equal to the applicable Interest Period as published by the ICE Benchmark Administration ("ICE") (or a comparable or successor quoting service approved by the Administrative Agent) at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period. If, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page), then "LIBOR" shall be determined by the Administrative Agent to be the arithmetic average of the rate per annum at which deposits in Dollars in amounts comparable to the principal amount of the LIBOR Rate Loan would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period for a period equal to such Interest Period; and

(b) for any interest rate calculation with respect to a Base Rate Loan, the rate of interest per annum determined on the basis of the rate for deposits in Dollars for an Interest Period equal to one month (commencing on the date of determination of such interest rate) as published by the ICE (or a comparable or successor quoting service approved by the Administrative Agent) at approximately 11:00 a.m. (London time) on such date of determination, or, if such date is not a Business Day, then the immediately preceding Business Day. If, for any reason, such rate is not published then "LIBOR" for such Base Rate Loan shall be determined by the Administrative Agent to be the arithmetic average of the rate per annum at which deposits in Dollars would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 a.m. (London time) on such date of determination for a period equal to one month commencing on such date of determination.

Each calculation by the Administrative Agent of LIBOR shall be conclusive and binding for all purposes, absent manifest error.

"LIBOR Rate" means a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{LIBOR Rate} = \frac{\text{LIBOR}}{\text{1.00-Eurodollar Reserve Percentage}}$$

Notwithstanding the foregoing, (x) if the LIBOR Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement and (y) unless otherwise specified in any amendment to this Agreement entered into in accordance

with Section 5.8(c), in the event that a Replacement Rate with respect to LIBOR is implemented then all references herein to LIBOR shall be deemed references to such Replacement Rate.

"LIBOR Rate Loan" means any Loan bearing interest at a rate based upon the LIBOR Rate (other than a Base Rate Loan for which interest is determined by reference to LIBOR), as provided in Section 5.1(a).

"License" has the meaning assigned thereto in Section 8.5(b).

"Lien" means, with respect to any asset, any mortgage, leasehold mortgage, lien, pledge, charge, security interest, hypothecation or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, Capital Lease or other title retention agreement (other than an operating lease) relating to such asset.

"Limited Condition Acquisition" has the meaning assigned thereto in Section 1.11.

"Loan Documents" means, collectively, this Agreement, each Note, the Letter of Credit Applications and each reimbursement agreement and each other document and certificate executed by any Credit Party relating to any Letter of Credit, the Security Documents, the Guaranty Agreement, the Fee Letters, and each other document, instrument, certificate and agreement executed and delivered by any Credit Party or any of its Subsidiaries in connection with this Agreement (whether in favor of the Administrative Agent or any Secured Party or otherwise) (excluding any Secured Hedge Agreement and any Secured Cash Management Agreement).

"Loans" means the collective reference to the Revolving Credit Loans and the Swingline Loans, and "Loan" means any of such Loans.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.

"Margin Stock" means "margin stock" as such term is defined in Regulation U.

"Material Adverse Effect" means, with respect to the Borrower and its Subsidiaries: (a) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties or financial condition of the Borrower and its Subsidiaries, taken as a whole, (2) a material impairment of the ability of any Credit Party to perform its obligations under any Loan Document to which it is a party, (3) a material adverse effect on the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or (4) an impairment of the legality, validity, binding effect or enforceability against any Credit Party of any Loan Document to which it is a party.

"Material Contract" means any material contract or agreement which the Borrower files or is required to file with the SEC under the Exchange Act or the Securities Act of 1933 (other than any management contract or compensatory plan, contract or arrangement).

"Material Real Property" means real property owned in fee by any Credit Party with a fair market value (as determined reasonably and in good faith by a Responsible Officer of the Borrower) of $25,000,000 or greater.

"Minimum Collateral Amount" means, at any time: (a) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 102% of the sum of: (i) the Fronting Exposure of the Issuing Lender with respect to Letters of Credit issued and outstanding at such time; and (ii) the Fronting Exposure of the Swingline Lender with respect to all Swingline Loans outstanding at such time; and (b) otherwise, an amount determined by the Administrative Agent and each of the applicable Issuing Lenders that is entitled to Cash Collateral hereunder at such time in their sole discretion.

"Moody's" means Moody's Investors Service, Inc.

"Mortgaged Property" means (a) each Material Real Property identified on Schedule 8.14 hereto and (b) each Material Real Property, if any, which shall be subject to a Mortgage delivered after the Closing Date pursuant to Section 8.14(a) and Section 8.14(c) hereof.

"Mortgages" means the collective reference to each mortgage, deed of trust or other real property security document, encumbering any real property now or hereafter owned by any Credit Party, in each case, in form and substance reasonably

satisfactory to the Administrative Agent and executed by such Credit Party in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, as any such document may be amended, restated, supplemented or otherwise modified from time to time.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which any Credit Party or any ERISA Affiliate is making, or is accruing an obligation to make, or has accrued an obligation to make contributions within the preceding seven (7) years.

"Net Cash Proceeds" means, as applicable: (a) with respect to any Asset Disposition or Insurance and Condemnation Event, the gross proceeds received by any Credit Party or any of its Subsidiaries therefrom consisting of (x) cash, (y) Cash Equivalents and (z) any cash or Cash Equivalent payments received by way of a deferred payment pursuant to, or by monetization of, a note receivable or otherwise, as and when received, but excluding any interest and royalty payments, *less* the sum of: (i) in the case of an Asset Disposition only, all income taxes and other taxes assessed by, or reasonably estimated to be payable to, a Governmental Authority as a result of such transaction (provided that if such estimated taxes exceed the amount of actual taxes required to be paid in cash in respect of such Asset Disposition, the amount of such excess shall constitute Net Cash Proceeds); (ii) all reasonable and customary out-of-pocket legal and other fees and expenses incurred in connection with such transaction or event; (iii) the principal amount of, premium, if any, and interest on any Indebtedness (other than any Indebtedness arising under the Loan Documents) that is required to be repaid in connection with such transaction or event and that is secured by Liens on the Collateral prior to or equal and ratable with any Lien of the Administrative Agent in such assets (provided that if such Indebtedness is secured by a Lien on the asset that is equal and ratable to the Lien of the Administrative Agent on such asset, then any such repayment of Indebtedness shall be limited to such Indebtedness' ratable share of such gross proceeds); (iv) reasonable reserves retained from such gross proceeds to fund contingent liabilities directly attributable to such Asset Disposition or Insurance and Condemnation Event and reasonably estimated to be payable (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds); and (v) other costs, expenses and taxes incurred by the Borrower and its Subsidiaries (or any of their respective affiliates or equity partners) as a direct result of actions taken by the Borrower and its Subsidiaries (and any of their affiliates or equity partners) pursuant to Section 2.4(d); and (b) with respect to any Debt Issuance, the gross cash proceeds received by any Credit Party or any of its Subsidiaries therefrom less all reasonable and customary out-of-pocket legal, underwriting and other fees and expenses incurred in connection therewith.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver, amendment, modification or termination that: (a) requires the approval of all Lenders or all affected Lenders or all Lenders with respect to a certain Class or Series in accordance with the terms of Section 12.2; and (b) has been approved by the Required Lenders.

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

"Non-Guarantor Subsidiary" means any Subsidiary of the Borrower that is not a Subsidiary Guarantor.

"Notes" means the collective reference to the Revolving Credit Notes and the Swingline Note.

"Notice of Account Designation" has the meaning assigned thereto in Section 2.3(b).

"Notice of Borrowing" has the meaning assigned thereto in Section 2.3(a).

"Notice of Conversion/Continuation" has the meaning assigned thereto in Section 5.2.

"Notice of Prepayment" has the meaning assigned thereto in Section 2.4(c).

"Obligations" means, in each case, whether now in existence or hereafter arising: (a) the principal of and interest on (including interest accruing after the filing of any bankruptcy or similar petition, whether or not allowable in such proceeding) the Loans; (b) the L/C Obligations; and (c) all other fees and commissions (including reasonable attorneys' fees), charges, indebtedness, loans, liabilities, financial accommodations, obligations, covenants and duties owing by the Credit Parties and each of their respective Subsidiaries to the Lenders, the Issuing Lender or the Administrative Agent, in each case under any Loan Document, with respect to any Loan or Letter of Credit of every kind, nature and description, direct or indirect, absolute or contingent, due or to become due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note and including interest and fees that accrue after the commencement by or against any Credit Party or any Subsidiary thereof of any proceeding under any Debtor Relief Laws, naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

"OFAC" means the U.S. Department of the Treasury's Office of Foreign Assets Control.

"Officer's Compliance Certificate" means a certificate of the chief executive officer, chief financial officer, treasurer, or controller of the Borrower substantially in the form attached as Exhibit F.

"Operating Lease" means, as to any Person as determined in accordance with GAAP, any lease of Property (whether real, personal or mixed) by such Person as lessee which is not a capital lease.

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

"Other Taxes" means all present or future stamp, court, documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 5.12).

"Participant" has the meaning assigned thereto in Section 12.9(d).

"Participant Register" has the meaning assigned thereto in Section 12.9(d).

"PATRIOT Act" means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"PBGC" means the Pension Benefit Guaranty Corporation or any successor agency.

"Pension Plan" means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to the provisions of Title IV of ERISA or Section 412 of the Code and which (a) is maintained, funded or administered for the employees of any Credit Party or any ERISA Affiliate or (b) has at any time within the preceding seven (7) years been maintained, funded or administered for the employees of any Credit Party or any current or former ERISA Affiliates.

"Perfection Certificate" means, with respect to any Credit Party, a certificate, substantially in the form of Exhibit J to this Agreement, completed and supplemented with schedules and attachments contemplated thereby and duly executed on behalf of such Credit Party by a Responsible Officer of such Credit Party.

"Perfection Certificate Supplement" shall mean a certificate supplement in the form of Exhibit K or any other form approved by the Administrative Agent.

"Permitted Acquisition" means: any Acquisition that meets all of the following requirements:

(a) no less than five (5) Business Days prior to the proposed closing date of such Acquisition (or such shorter period as is acceptable from the Administrative Agent in its sole discretion), the Borrower shall have delivered written notice of such Acquisition to the Administrative Agent, which notice shall include the proposed closing date of such Acquisition;

(b) the Borrower shall have certified on or before the closing date of such Acquisition, in writing and in a form reasonably acceptable to the Administrative Agent, that such Acquisition is not hostile;

(c) the Person or business to be acquired shall be in a line of business permitted pursuant to Section 9.11;

(d) if such Acquisition is a merger or consolidation, the Borrower or a Subsidiary shall be the surviving Person, and the surviving Person shall become, if required by Section 9.3(h), a Subsidiary Guarantor in accordance with, and within the time periods specified in, Section 8.14, and no Change in Control shall have been effected thereby;

(e) the Borrower shall have delivered to the Administrative Agent all documents required to be delivered prior to the closing date of such Acquisition pursuant to, and in accordance with, Section 8.14;

(f) (i) immediately after giving effect to such Acquisition, on a Pro Forma Basis, calculated for the most recent fiscal quarter end for which financial statements are available or (ii) in the case of a Limited Condition Acquisition, the date the Permitted Acquisition Documents are entered into, and on a Pro Forma Basis, calculated for the most recent fiscal quarter end for which financial statements are available, in each case, the Consolidated Total Leverage Ratio shall not be greater than 2.75 to 1.00;

(g) (i) no later than five (5) Business Days prior to the proposed closing date of such Acquisition (or such shorter period as is acceptable from the Administrative Agent in its sole discretion), the Borrower, to the extent requested by the Administrative Agent, shall have delivered to the Administrative Agent copies of substantially final (or if not then substantially final, the then current drafts of) Permitted Acquisition Documents (to the extent drafts are then available); and (ii) promptly upon the finalization thereof, copies of final Permitted Acquisition Documents certified as such by a Responsible Officer of the Borrower;

(h) either (i) no Default or Event of Default shall have occurred and be continuing both immediately before and immediately after giving effect to such Acquisition and any Indebtedness incurred in connection therewith or (ii) in the case of a Limited Condition Acquisition, (x) no Default of Event of Default shall have occurred and be continuing on the date the Permitted Acquisition Documents are entered into and after giving pro forma effect to such Acquisition and any Indebtedness incurred in connection therewith and (y) no Event of Default under Section 10.1(a), (b), (h) or (i) shall have occurred and be continuing both before and after giving pro forma effect to such Acquisition and any Indebtedness incurred in connection therewith;

(i) immediately after giving effect to such Acquisition, on a Pro Forma Basis, the Borrower and its Subsidiaries will have unfunded Revolving Credit Commitments available to be drawn equal to or in excess of 15% of the Revolving Credit Commitments, including any Incremental Revolving Credit Commitments (as of either (i) the date of the Acquisition and immediately after giving effect thereto and any Indebtedness incurred in connection therewith or (ii) in the case of a Limited Condition Acquisition, the date the Permitted Acquisition Documents are entered into); and

(j) the Borrower shall have: (i) delivered to the Administrative Agent a certificate of a Responsible Officer certifying that all of the requirements set forth above have been satisfied or will be satisfied on or prior to the consummation of such purchase or other Acquisition, or are expected to be satisfied within the time periods required under Section 8.14, as applicable; and (ii) provided such other documents and other information as may be reasonably requested by the Administrative Agent or the Required Lenders (through the Administrative Agent) in connection with such purchase or other Acquisition.

"Permitted Acquisition Consideration" means (i) the aggregate amount of the purchase price, including, but not limited to, any assumed debt, earn-outs (provided that to the extent such earn-out is subject to a contingency, such earn-out shall be valued at the amount of reserves, if any, required under GAAP at the date of such acquisition), payments in respect of non-competition agreements or other arrangements accounted for as acquisition consideration under GAAP, deferred payments (valued at the discounted present value thereof), or Equity Interests of the Borrower, to be paid on a singular basis in connection with any applicable Permitted Acquisition as set forth in the applicable Permitted Acquisition Documents executed by the Borrower or any of its Subsidiaries in order to consummate the applicable Permitted Acquisition (but excluding ongoing royalty payments) and (ii) any Qualified Earn-Out Payment.

"Permitted Acquisition Documents" means with respect to any Acquisition proposed by the Borrower or any Subsidiary, final copies or substantially final drafts if not executed at the required time of delivery of the purchase agreement, sale agreement, merger agreement or other agreement evidencing such Acquisition, and each other material document executed, delivered, contemplated by or prepared in connection therewith and any amendment, modification or supplement to any of the foregoing.

"Permitted Liens" means the Liens permitted pursuant to Section 9.2.

"Permitted Unsecured Indebtedness" means unsecured Indebtedness of the Borrower and Guarantees thereof by any Credit Party; provided that: (a) the stated final maturity of such Indebtedness shall not be earlier than ninety-one (91) days after the Revolving Credit Maturity Date, and such stated final maturity shall not be subject to any conditions that could result in such stated final maturity occurring on a date that precedes the date that is ninety-one (91) days after the Revolving Credit Maturity Date; (b) such Indebtedness shall not be required to be repaid, prepaid, redeemed, repurchased or defeased, in whole or in part, whether on one or more fixed dates, upon the occurrence of one or more events or at the option of any holder thereof (except, in each case, upon the occurrence of an event of default, a change in control, fundamental change, an asset disposition

or an event of loss, or in the case of convertible notes, upon conversion) prior to the date that is ninety-one (91) days after the Revolving Credit Maturity Date; (c) such Indebtedness contains terms and conditions (excluding interest rate, fees and other pricing terms, premiums and optional prepayment or optional redemption provisions) that are market terms for a registered public offering of debt securities or an offering of debt securities under Rule 144A or Regulation S under the Securities Act of 1933 on the date such Indebtedness is incurred, or are not materially more restrictive, taken as a whole, than the covenants and events of default contained in this Agreement (in each case as determined in good faith by the chief financial officer of the Borrower); (d) such Indebtedness shall not constitute an obligation (including pursuant to a Guarantee) of any Subsidiary that is not a Credit Party; (e) such Indebtedness shall not be secured by any Lien on any asset of the Borrower or any Subsidiary; (f) at the time of and immediately after giving effect to the incurrence of such Indebtedness and the application of the proceeds thereof, no Default or Event of Default shall have occurred and be continuing; and (g) immediately after giving effect to the incurrence of such Indebtedness and the application of the proceeds thereof, the Borrower shall be in Pro Forma Compliance with the covenants set forth in Section 9.13.

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

"Pfizer Note" means that certain senior note dated as of February 3, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time) by and among the Borrower and Pfizer, Inc., in a principal amount of $75,000,000.00.

"Plan" means any plan of reorganization or plan of liquidation pursuant to any Debtor Relief Laws.

"Platform" means Debt Domain, Intralinks, SyndTrak or a substantially similar electronic transmission system.

"Prime Rate" means, at any time, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime commercial lending rate, as established from time to time at the Administrative Agent's principal U.S. office. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its prime commercial lending rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

"Pro Forma Basis" means, with respect to compliance with any test or covenant hereunder, compliance with such test or covenant for any period during which one or more Specified Transactions occurs calculated after giving pro forma effect to such Specified Transaction (and all other Specified Transactions that have been consummated during the applicable period and any related Indebtedness incurred or repaid in connection therewith) as if such Specified Transaction and any related incurrence or reduction of Indebtedness had occurred on the first day of the applicable period of measurement ending with the most recent fiscal quarter for which financial statements shall have been delivered, or are being delivered, as applicable, pursuant to Section 8.1(a) or Section 8.1(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 6.1(d)(i)) and, to the extent applicable, to the historical financial statements of all entities or assets acquired or disposed of, and the consolidated financial statements of the Borrower and its Subsidiaries, all in accordance with Article 11 of Regulation S-X under the Exchange Act (and subject to the proviso to clause (ix) of the definition of "Consolidated Adjusted EBITDA"), calculated on a basis consistent with GAAP. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedge Agreement applicable to such Indebtedness if such Hedge Agreement has a remaining term in excess of twelve (12) months).

"Pro Forma Compliance" means, at any date of determination, that the Borrower and its Subsidiaries shall be in pro forma compliance with any or all of the covenants set forth in Section 9.13, as of the date of such determination or the last day of the most recently completed fiscal quarter for which financial statements shall have been delivered, or are being delivered, as applicable, pursuant to Section 8.1(a) or Section 8.1(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 6.1(d)(i)) (computed on the basis of: (a) balance sheet amounts as of such date; and (b) income statement amounts for the most recently completed period of four (4) consecutive fiscal quarters for which financial statements shall have been delivered to the Administrative Agent and calculated on a Pro Forma Basis in respect of the event giving rise to such determination and all other Specified Transactions that have been consummated during the applicable period and any related Indebtedness incurred or repaid in connection therewith).

"Property" means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible, including, without limitation, Equity Interests.

"Qualified Earn-Out Payment" means earn-out payments made pursuant to the Hospira Acquisition Agreement, as in effect on the date hereof, or as amended, modified or supplemented from time to time, to the extent that such amendments, modifications or supplements are not materially adverse to the Lenders.

"Qualified Equity Interests" means any Equity Interests that are not Disqualified Equity Interests.

"Recipient" means: (a) the Administrative Agent; (b) any Lender; and (c) any Issuing Lender, as applicable.

"Register" has the meaning assigned thereto in Section 12.9(c).

"Reimbursement Obligation" means the obligation of the Borrower to reimburse any Issuing Lender pursuant to Section 3.5 for amounts drawn under Letters of Credit issued by such Issuing Lender.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Release" means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the Environment or within, from or into any building, structure, facility or fixture.

"Replacement Rate" has the meaning assigned thereto in Section 5.8(c).

"Required Lenders" means, at any date, any combination of Revolving Credit Lenders holding more than fifty percent (50%) of the sum of the aggregate amount of the Revolving Credit Commitment or, if the Revolving Credit Commitment has been terminated, any combination of Revolving Credit Lenders holding more than fifty percent (50%) of the aggregate Extensions of Credit under the Revolving Credit Facility; provided that the Revolving Credit Commitment of, and the portion of the Extensions of Credit under the Revolving Credit Facility, as applicable, held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders; provided further that, if at the applicable time, there are less than three (3) Lenders, Required Lenders shall mean all of the Lenders (excluding any Defaulting Lender).

"Responsible Officer" means, as to any Person, the chief executive officer, president, chief financial officer, controller, treasurer or assistant treasurer of such Person or any other officer of such Person designated in writing by the Borrower and reasonably acceptable to the Administrative Agent; provided that, to the extent requested thereby, the Administrative Agent shall have received a certificate of such Person certifying as to the incumbency and genuineness of the signature of each such officer. Any document delivered hereunder or under any other Loan Document that is signed by a Responsible Officer of a Person shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

"Restricted Payment" has the meaning assigned thereto in Section 9.6.

"Restricted Subsidiary" means any Subsidiary of the Borrower other than an Unrestricted Subsidiary.

"Revolving Credit Commitment" means: (a) as to any Revolving Credit Lender, the obligation of such Revolving Credit Lender to make Revolving Credit Loans to, and to purchase participations in L/C Obligations and Swingline Loans for the account of, the Borrower hereunder in an aggregate principal amount at any time outstanding not to exceed the amount set forth opposite such Revolving Credit Lender's name on the Register, as such amount may be modified at any time or from time to time pursuant to the terms hereof (including, without limitation, Section 5.13); and (b) as to all Revolving Credit Lenders, the aggregate commitment of all Revolving Credit Lenders to make Revolving Credit Loans, as such amount may be modified at any time or from time to time pursuant to the terms hereof (including without limitation, Section 5.13). The aggregate Revolving Credit Commitment of all the Revolving Credit Lenders on the Closing Date shall be $150,000,000.00. The initial Revolving Credit Commitment of each Revolving Credit Lender is set forth opposite the name of such Lender on Schedule 1.1(a).

"Revolving Credit Commitment Percentage" means, with respect to any Revolving Credit Lender at any time, the percentage of the total Revolving Credit Commitments of all the Revolving Credit Lenders represented by such Revolving Credit Lender's Revolving Credit Commitment. If the Revolving Credit Commitments have terminated or expired, the Revolving Credit Commitment Percentages shall be determined based upon the Revolving Credit Commitments most recently

in effect, giving effect to any assignments. The initial Revolving Credit Commitment Percentage of each Revolving Credit Lender is set forth opposite the name of such Lender on Schedule 1.1(a).

"Revolving Credit Exposure" means, as to any Revolving Credit Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Credit Loans and such Revolving Credit Lender's participation in L/C Obligations and Swingline Loans at such time.

"Revolving Credit Facility" means the revolving credit facility established pursuant to Article II (including any increase in such revolving credit facility established pursuant to Section 5.13).

"Revolving Credit Lenders" means, collectively, all of the Lenders with a Revolving Credit Commitment (or, if the Revolving Credit Commitment has been terminated, all of the Lenders having Revolving Credit Exposure).

"Revolving Credit Loan" means any revolving loan made to the Borrower pursuant to Section 2.1, and all such revolving loans collectively as the context requires.

"Revolving Credit Maturity Date" means the earliest to occur of: (a) the date that is the fifth (5th) anniversary of the Closing Date (or, with respect to any Lender, such later date as requested by the Borrower pursuant to Section 5.16 and accepted by such Lender); (b) the date of termination of the entire Revolving Credit Commitment by the Borrower pursuant to Section 2.5; and (c) the date of termination of the Revolving Credit Commitment pursuant to Section 10.2(a).

"Revolving Credit Note" means a promissory note made by the Borrower in favor of a Revolving Credit Lender evidencing the Revolving Credit Loans made by such Revolving Credit Lender, substantially in the form attached as Exhibit A-1, and any substitutes therefor, and any replacements, restatements, renewals or extension thereof, in whole or in part.

"Revolving Credit Outstandings" means the sum of: (a) with respect to Revolving Credit Loans and Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Revolving Credit Loans and Swingline Loans, as the case may be, occurring on such date; *plus* (b) with respect to any L/C Obligations on any date, the aggregate outstanding amount thereof on such date after giving effect to any Extensions of Credit occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements of outstanding unpaid drawings under any Letters of Credit or any reductions in the maximum amount available for drawing under Letters of Credit taking effect on such date.

"S&P" means Standard & Poor's Financial Services LLC, a part of McGraw-Hill Financial, and any successor thereto.

"Sanctioned Country" means at any time, a country, region or territory which is itself the subject or target of comprehensive Sanctions (including, without limitation, Cuba, Iran, North Korea, Sudan, Syria and the Crimea region of Ukraine).

"Sanctioned Person" means, at any time: (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other applicable sanctions authority; (b) any Person operating, organized or resident in a Sanctioned Country; or (c) any Person owned or controlled by any such Person or Persons described in clauses (a) and (b).

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC), the European Union, Her Majesty's Treasury, or other applicable sanctions authority.

"SEC" means the United States Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Cash Management Agreement" means any Cash Management Agreement between or among any Credit Party or any Subsidiary thereof and any Cash Management Bank.

"Secured Hedge Agreement" means any Hedge Agreement between or among any Credit Party or any Subsidiary thereof and any Hedge Bank.

"Secured Obligations" means, collectively: (a) the Obligations; and (b) all existing or future payment and other obligations owing by any Credit Party or any Subsidiary thereof under: (i) any Secured Hedge Agreement (other than an Excluded Swap Obligation); and (ii) any Secured Cash Management Agreement.

"Secured Parties" means, collectively, the Administrative Agent, the Lenders, the Issuing Lenders, the Hedge Banks party to the Secured Hedge Agreements, the Cash Management Banks party to the Secured Cash Management Agreements, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 11.5, any other holder from time to time of any of any Secured Obligations and, in each case, their respective successors and permitted assigns.

"Securities Account" means an account to which a financial asset is or may be credited in accordance with an agreement under which the Person maintaining the account undertakes to treat the Person for whom the account is maintained as entitled to exercise the rights that comprise the financial asset.

"Security Documents" means the collective reference to the Collateral Agreement, the Mortgages, and each other agreement or writing pursuant to which any Credit Party pledges, grants or perfects, or purports to pledge, grant or perfect, a security interest in any Property or assets securing the Secured Obligations.

"Series" means (i) when used with respect to the Lenders, each of the following classes of Lenders: (a) Lenders having Revolving Credit Loans incurred pursuant to the Revolving Credit Commitments incurred on the Closing Date and (b) Lenders having Revolving Credit Loans or Revolving Credit Commitments extended pursuant an Extension Amendment and having the same maturity date, and (ii) when used with respect to Loans or Commitments, each of the following classes of Loans or Commitments: (a) Revolving Credit Loans incurred pursuant to the Revolving Credit Commitments incurred on the Closing Date and (b) Revolving Credit Loans or Revolving Credit Commitments extended pursuant to an Extension Amendment and having the same maturity date.

"Solvent" and "Solvency" mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair 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 become absolute and matured in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Disposition" means any disposition or series of related dispositions of all or substantially all of the assets or Equity Interests of any Subsidiary of the Borrower or any division, business unit, product line or line of business for which Disposition Consideration exceeds $30,000,000.

"Specified Transactions" means: (a) any Specified Disposition; (b) any Permitted Acquisition; and (c) any incurrence of Indebtedness in respect of which the Borrower is required to be, by the terms of this Agreement, in Pro Forma Compliance with the financial covenants set forth in Section 9.13 or any other leverage or fixed charge coverage test hereunder.

"Subsidiary" means as to any Person, any corporation, partnership, limited liability company or other entity of which more than fifty percent (50%) of the outstanding Equity Interests having ordinary voting power to elect a majority of the board of directors (or equivalent governing body) or other managers of such corporation, partnership, limited liability company or other entity is at the time owned by (directly or indirectly) or the management is otherwise controlled by (directly or indirectly) such Person (irrespective of whether, at the time, Equity Interests of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency). Except for Sections 7.5, 7.6, 7.16, 7.18, 7.21, 8.1 and 8.15 and unless the context requires otherwise, references to "Subsidiary" or "Subsidiaries" herein shall refer to Restricted Subsidiaries of the Borrower.

"Subsidiary Guarantors" means, collectively, all direct Domestic Subsidiaries of the Borrower (other than Excluded Subsidiaries) in existence on the Closing Date or which become a party to the Guaranty Agreement pursuant to Section 8.14. For the avoidance of doubt, no Excluded Subsidiary shall be a Subsidiary Guarantor.

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

"Swingline Commitment" means the lesser of: (a) $10,000,000; and (b) the Revolving Credit Commitment.

"Swingline Facility" means the swingline facility established pursuant to Section 2.2.

"Swingline Lender" means Wells Fargo in its capacity as swingline lender hereunder or any successor thereto.

"Swingline Loan" means any swingline loan made by the Swingline Lender to the Borrower pursuant to Section 2.2, and all such swingline loans collectively as the context requires.

"Swingline Note" means a promissory note made by the Borrower in favor of the Swingline Lender evidencing the Swingline Loans made by the Swingline Lender, substantially in the form attached as Exhibit A-2, and any substitutes therefor, and any replacements, restatements, renewals or extension thereof, in whole or in part.

"Syndication Date" means such date as has been agreed to in a separate writing between the Arranger and the Borrower.

"Synthetic Lease" means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an Operating Lease in accordance with GAAP.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges in the nature of a tax imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

"Termination Event" means the occurrence of any of the following which, individually or in the aggregate, has resulted or could reasonably be expected to result in liability of the Borrower in an aggregate amount in excess of the Threshold Amount: (a) a "Reportable Event" described in Section 4043 of ERISA for which the thirty (30) day notice requirement has not been waived by the PBGC, or (b) the withdrawal of any Credit Party or any ERISA Affiliate from a Pension Plan during a plan year in which it 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, or (c) the termination of a Pension Plan, 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 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, or (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC, or (e) any other event or condition which would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, or (f) the imposition of a Lien pursuant to Section 430(k) of the Code or Section 303 of ERISA, or (g) the determination that any Pension Plan or Multiemployer Plan is considered an at-risk plan or plan in endangered or critical status with the meaning of Sections 430, 431 or 432 of the Code or Sections 303, 304 or 305 of ERISA or (h) the partial or complete withdrawal of any Credit Party or any ERISA Affiliate from a Multiemployer Plan if withdrawal liability is asserted by such plan, or (i) any event or condition which results in the reorganization or insolvency of a Multiemployer Plan under Sections 4241 or 4245 of ERISA, or (j) any event or condition which results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by PBGC of proceedings to terminate a Multiemployer Plan under Section 4042 of ERISA, or (k) 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 any Credit Party or any ERISA Affiliate.

"Test Period" shall mean, for any determination under this Agreement, the four consecutive fiscal quarters of the Borrower most recently ended on or prior to such date of determination and for which financials have been delivered (or were required to be delivered) to the Administrative Agent pursuant to Section 8.1 (or before such financial statements are required to be delivered, the most recent period of four fiscal quarters at the end of which financial statements are available).

"Threshold Amount" means $30,000,000.

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments and Revolving Credit Exposure of such Lender at such time.

"Trade Date" has the meaning assigned thereto in Section 12.9(f)(i).

"Transaction Costs" means all transaction fees, charges and other amounts related to the Transactions, any issuance of Indebtedness permitted pursuant to Section 9.1 (other than the issuance of Indebtedness pursuant to this Agreement and the other Loan Documents), and, without duplication, any Permitted Acquisitions (including, without limitation, any financing fees

(including any underwriting, commitment, arrangement, structuring or similar fees), merger and acquisition fees (including any investment banking or brokerage fees), legal fees and expenses, consulting and valuation fees, due diligence fees or any other fees and expenses in connection therewith).

"Transactions" means, collectively: (a) the initial Extensions of Credit; and (b) the payment of the Transaction Costs incurred in connection with the foregoing.

"UCC" means the Uniform Commercial Code as in effect from time to time (except as may be otherwise specified) in any applicable state or jurisdiction.

"United States" means the United States of America.

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning assigned thereto in Section 5.11(g)(ii)(C)(3).

"Unrestricted Subsidiary" means (a) any Subsidiary of the Borrower that is designated as an Unrestricted Subsidiary by the Borrower pursuant to Section 8.19 subsequent to the Closing Date and (b) any Subsidiary of an Unrestricted Subsidiary.

"Wells Fargo" means Wells Fargo Bank, National Association, a national banking association.

"Wholly-Owned" means, with respect to a Subsidiary, that all of the Equity Interests of such Subsidiary are, directly or indirectly, owned or controlled by the Borrower and/or one or more of its Wholly-Owned Subsidiaries (except for directors' qualifying shares or other shares required by Applicable Law to be owned by a Person other than the Borrower and/or one or more of its Wholly-Owned Subsidiaries).

"Withholding Agent" means any Credit Party, the Administrative Agent and any other applicable withholding agent for relevant tax purposes.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write down and conversion powers are described in the EU Bail-In Legislation Schedule.

SECTION 1.2 Other Definitions and Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document: (a) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined, (b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms, (c) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation," (d) the word "will" shall be construed to have the same meaning and effect as the word "shall," (e) any reference herein to any Person shall be construed to include such Person's successors and assigns, (f) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (g) the word "or" shall not be exclusive, (h) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (i) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (j) the term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form and (k) in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including." In determining the date for any delivery or performance under this Agreement, if such date of delivery or performance is not a Business Day, then the date required for such delivery or performance shall be the next Business Day.

SECTION 1.3 Accounting Terms.

(a) All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP, applied on a consistent basis, as in effect from time to time and in a manner consistent with that used in preparing the audited financial statements required by Section 8.1(a), except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall

be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded and operating and capital leases will be treated in a manner consistent with their treatment under GAAP as in effect on the Closing Date, notwithstanding any modifications or interpretive changes thereto that may occur thereafter.

(b) If at any time any change in GAAP would affect the computation of any financial ratio, covenants or requirement or interpretation of a covenant set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio, requirement or covenant shall continue to be computed or interpreted, as applicable, in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

SECTION 1.4 UCC Terms. Terms defined in the UCC in effect on the Closing Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term "UCC" refers, as of any date of determination, to the UCC then in effect.

SECTION 1.5 Rounding. Any financial ratios required to be maintained pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio or percentage is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

SECTION 1.6 References to Agreement and Laws. Unless otherwise expressly provided herein, (a) any definition or reference to formation documents, governing documents, agreements (including the Loan Documents) and other contractual documents or instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) any definition or reference to any Applicable Law, including, without limitation, Anti-Corruption Laws, Anti-Money Laundering Laws, the Bankruptcy Code, the Code, the Commodity Exchange Act, ERISA, the Exchange Act, the Federal Food, Drug, and Cosmetic Act, the HIPAA, the PATRIOT Act, the Securities Act of 1933, the UCC, the Investment Company Act or any of the foreign assets control regulations of the United States Treasury Department, shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

SECTION 1.7 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

SECTION 1.8 Letter of Credit Amounts. Unless otherwise specified, all references herein to the amount of a Letter of Credit at any time shall be deemed to mean the maximum face amount of such Letter of Credit after giving effect to all increases thereof contemplated by such Letter of Credit or the Letter of Credit Application therefor (at the time specified therefor in such applicable Letter of Credit or Letter of Credit Application and as such amount may be reduced by (a) any permanent reduction of such Letter of Credit or (b) any amount which is drawn, reimbursed and no longer available under such Letter of Credit).

SECTION 1.9 Guarantees/Earn-Outs. Other than for purposes of calculations of the amount of Secured Obligations and amounts due under the Guaranty Agreement, unless otherwise specified, (a) the amount of any Guarantee shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee and (b) the amount of any earn-out or similar obligation shall be the amount of such obligation as reflected on the balance sheet of such Person in accordance with GAAP.

SECTION 1.10 Covenant Compliance Generally. For purposes of determining compliance under Section 9.1, Section 9.2, Section 9.3, Section 9.5 and Section 9.6, any amount in a currency other than Dollars will be converted to Dollars in a manner consistent with that used in calculating Consolidated Net Income in the most recent annual financial statements of the Borrower and its Subsidiaries delivered pursuant to Section 8.1(a). Notwithstanding the foregoing, for purposes of determining compliance with Sections 9.1, 9.2 and 9.3, with respect to any amount of Indebtedness or Investment in a currency other than Dollars, no breach of any basket contained in such sections shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness or Investment is incurred; provided that for the

avoidance of doubt, the foregoing provisions of this Section 1.10 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness or Investment may be incurred at any time under such Sections.

SECTION 1.11 Limited Condition Acquisitions. Notwithstanding anything in this Agreement or any Loan Document to the contrary, when calculating any applicable ratio, the amount or availability of any basket based on Consolidated Adjusted EBITDA or total assets, or determining other compliance with this Agreement (including the determination of compliance with any provision of this Agreement which requires that no Default or Event of Default has occurred, is continuing or would result therefrom) in connection with a Specified Transaction undertaken in connection with the consummation of an acquisition or an investment that Borrower or one or more of its Subsidiaries is contractually committed to consummate (it being understood that such commitment may be subject to conditions precedent, which conditions precedent may be amended, satisfied or waived in accordance with the terms of the applicable agreement) and whose consummation is not conditioned on the availability of, or on obtaining, third party financing (such acquisition or investment, a "Limited Condition Acquisition"), the date of determination of such ratio, the amount or availability of any basket based on Consolidated Adjusted EBITDA or total assets, and determination of whether any Default or Event of Default has occurred, is continuing or would result therefrom or other applicable covenant shall, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Acquisition, an "LCA Election"), be deemed to be the date the definitive agreements for such Limited Condition Acquisition are entered into (the "LCA Test Date") and if, (i) after such ratios and other provisions are measured on a Pro Forma Basis immediately after giving effect to such Limited Condition Acquisition and the other Specified Transactions to be entered into in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable Test Period ending prior to the LCA Test Date, the Borrower could have taken such action on the relevant LCA Test Date in compliance with such ratios and provisions, and (ii) assuming such Limited Condition Acquisition had not occurred (nor any of the transactions related thereto) and at such time the Borrower is in compliance with such ratios and other provisions, then such provisions shall be deemed to have been complied with. For the avoidance of doubt, (x) if any of such ratios are exceeded as a result of fluctuations in such ratio (including due to fluctuations in Consolidated Adjusted EBITDA of Borrower and its Subsidiaries) at or prior to the consummation of the relevant Limited Condition Acquisition, such ratios and other provisions will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the Limited Condition Acquisition is permitted hereunder and (y) such ratios and other provisions shall not be tested at the time of consummation of such Limited Condition Acquisition or related Specified Transactions. If the Borrower has made an LCA Election for any Limited Condition Acquisition, then in connection with any subsequent calculation of any incurrence ratio or basket availability with respect to any other Specified Transaction on or following the relevant LCA Test Date and prior to the earlier of the date on which such Limited Condition Acquisition is consummated or the date that the definitive agreement for such Limited Condition Acquisition is terminated or expires without consummation of such Limited Condition Acquisition, any such ratio or basket shall be calculated on a Pro Forma Basis assuming (i) such Limited Condition Acquisition and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated and (ii) assuming such Limited Condition Acquisition and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have not been consummated. Notwithstanding the foregoing, during the pendency of, but prior to the closing of, a Limited Condition Acquisition, Consolidated Net Income, Consolidated Adjusted EBITDA and Consolidated Total Assets of the target of such Limited Condition Acquisition shall not be included in the calculation of any ratios contained in Section 9.6 or Section 9.13.

SECTION 1.12 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "LIBOR".

ARTICLE II

REVOLVING CREDIT FACILITY

SECTION 2.1 Revolving Credit Loans. Subject to the terms and conditions of this Agreement and the other Loan Documents, and in reliance upon the representations and warranties set forth in this Agreement and the other Loan Documents, each Revolving Credit Lender severally agrees to make Revolving Credit Loans in Dollars to the Borrower from time to time after the Closing Date to, but not including, the Revolving Credit Maturity Date as requested by the Borrower in accordance with the terms of Section 2.3; provided that: (a) the Revolving Credit Facility shall be undrawn on the Closing Date after giving effect to the Transactions; (b) the Revolving Credit Outstandings shall not exceed the aggregate Revolving Credit Commitments; and (c) the Revolving Credit Exposure of any Revolving Credit Lender shall not at any time exceed such Revolving Credit Lender's Revolving Credit Commitment. Each Revolving Credit Loan by a Revolving Credit Lender shall be in a principal amount equal to such Revolving Credit Lender's Revolving Credit Commitment Percentage of the aggregate

principal amount of Revolving Credit Loans requested on such occasion. Subject to the terms and conditions hereof, the Borrower may borrow, repay and reborrow Revolving Credit Loans hereunder until the Revolving Credit Maturity Date.

SECTION 2.2 Swingline Loans.

a. Availability. Subject to the terms and conditions of this Agreement and the other Loan Documents, including, without limitation, Section 6.2(d) of this Agreement, and in reliance upon the representations and warranties set forth in this Agreement and the other Loan Documents, the Swingline Lender will make Swingline Loans in Dollars to the Borrower from time to time from the Closing Date to, but not including, the Revolving Credit Maturity Date; provided that: (i) after giving effect to any amount requested, the Revolving Credit Outstandings shall not exceed the Revolving Credit Commitment; and (ii) the aggregate principal amount of all outstanding Swingline Loans (after giving effect to any amount requested) shall not exceed the Swingline Commitment.

b. Refunding.

(i) The Swingline Lender, at any time and from time to time in its sole and absolute discretion may, on behalf of the Borrower (which hereby irrevocably directs the Swingline Lender to act on its behalf), by written notice given no later than 1:00 p.m. on any Business Day request each Revolving Credit Lender to make, and each Revolving Credit Lender hereby agrees to make, a Revolving Credit Loan as a Base Rate Loan in an amount equal to such Revolving Credit Lender's Revolving Credit Commitment Percentage of the aggregate amount of the Swingline Loans outstanding on the date of such notice, to repay the Swingline Lender. Each Revolving Credit Lender shall make the amount of such Revolving Credit Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 3:00 p.m. on the day specified in such notice. The proceeds of such Revolving Credit Loans shall be immediately made available by the Administrative Agent to the Swingline Lender for application by the Swingline Lender to the repayment of the Swingline Loans. Subject to Section 5.15(a)(iv), no Revolving Credit Lender's obligation to fund its respective Revolving Credit Commitment Percentage of a Swingline Loan shall be affected by any other Revolving Credit Lender's failure to fund its Revolving Credit Commitment Percentage of a Swingline Loan, nor shall any Revolving Credit Lender's Revolving Credit Commitment Percentage be increased as a result of any such failure of any other Revolving Credit Lender to fund its Revolving Credit Commitment Percentage of a Swingline Loan.

(ii) The Borrower shall pay to the Swingline Lender, and in any event on the Revolving Credit Maturity Date, on demand in immediately available funds the amount of such Swingline Loans to the extent amounts received from the Revolving Credit Lenders are not sufficient to repay in full the outstanding Swingline Loans requested or required to be refunded. In addition, the Borrower irrevocably authorizes the Administrative Agent to charge any account maintained by the Borrower with the Swingline Lender (up to the amount available therein) in order to immediately pay the Swingline Lender the amount of such Swingline Loans to the extent amounts received from the Revolving Credit Lenders are not sufficient to repay in full the outstanding Swingline Loans requested or required to be refunded. If any portion of any such amount paid to the Swingline Lender shall be recovered by or on behalf of the Borrower from the Swingline Lender in bankruptcy or otherwise, the loss of the amount so recovered shall be ratably shared among all the Revolving Credit Lenders in accordance with their respective Revolving Credit Commitment Percentages.

(iii) If for any reason any Swingline Loan cannot be refinanced with a Revolving Credit Loan pursuant to Section 2.2(b)(i), each Revolving Credit Lender shall, on the date such Revolving Credit Loan was to have been made pursuant to the notice referred to in Section 2.2(b)(i), purchase for cash an undivided participating interest in the then outstanding Swingline Loans by paying to the Swingline Lender an amount (the "Swingline Participation Amount") equal to such Revolving Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of Swingline Loans then outstanding. Each Revolving Credit Lender will transfer to the Swingline Lender, in immediately available funds, the amount of its Swingline Participation Amount not later than 3:00 p.m. on the day specified in such notice. Whenever, at any time after the Swingline Lender has received from any Revolving Credit Lender such Revolving Credit Lender's Swingline Participation Amount, the Swingline Lender receives any payment on account of the Swingline Loans, the Swingline Lender will promptly distribute to such Revolving Credit Lender its Swingline Participation Amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's participating interest was outstanding and funded and, in the case of principal and interest payments, to reflect such Revolving Credit Lender's pro rata portion of such payment if such payment is not sufficient to pay the principal of and interest on all Swingline Loans then due); provided that in the event that such payment received by the Swingline Lender is required to be returned, such Revolving Credit Lender will return to the Swingline Lender any portion thereof previously distributed to it by the Swingline Lender.

(iv) Each Revolving Credit Lender's obligation to make the Revolving Credit Loans referred to in Section 2.2(b)(i) and to purchase participating interests pursuant to Section 2.2(b)(iii) shall be absolute and unconditional and shall not be

affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right that such Revolving Credit Lender or the Borrower may have against the Swingline Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article VI, (C) any adverse change in the condition (financial or otherwise) of the Borrower, (D) any breach of this Agreement or any other Loan Document by the Borrower, any other Credit Party or any other Revolving Credit Lender or (E) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(v) If any Revolving Credit Lender fails to make available to the Administrative Agent for the account of the Swingline Lender any amount required to be paid by such Revolving Credit Lender pursuant to the foregoing provisions of this Section 2.2 by the time specified in this Section 2.2, the Swingline Lender shall be entitled to recover from such Revolving Credit Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swingline Lender at a rate per annum equal to the applicable Federal Funds Rate, plus any administrative, processing or similar fees customarily charged by the Swingline Lender in connection with the foregoing. If such Revolving Credit Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Revolving Credit Lender's Revolving Credit Loan or Swingline Participation Amount, as the case may be. A certificate of the Swingline Lender submitted to any Revolving Credit Lender (through the Administrative Agent) with respect to any amounts owing under this clause (v) shall be conclusive absent manifest error.

c. Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, this Section 2.2 shall be subject to the terms and conditions of Section 5.14 and Section 5.15.

SECTION 2.3 Procedure for Advances of Revolving Credit Loans and Swingline Loans.

a. Requests for Borrowing. The Borrower shall give the Administrative Agent irrevocable prior written notice substantially in the form of Exhibit B (a "Notice of Borrowing") not later than 12:00 p.m. (i) on the same Business Day as each Base Rate Loan and each Swingline Loan and (ii) at least three (3) Business Days before each LIBOR Rate Loan, of its intention to borrow, specifying (A) the date of such borrowing, which shall be a Business Day, (B) the amount of such borrowing, which shall be, (x) with respect to Base Rate Loans (other than Swingline Loans) in an aggregate principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof, (y) with respect to LIBOR Rate Loans in an aggregate principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof and (z) with respect to Swingline Loans in an aggregate principal amount of $500,000 or a whole multiple of $100,000 in excess thereof, (C) whether such Loan is to be a Revolving Credit Loan or Swingline Loan, (D) in the case of a Revolving Credit Loan whether the Loans are to be LIBOR Rate Loans or Base Rate Loans, and (E) in the case of a LIBOR Rate Loan, the duration of the Interest Period applicable thereto; provided that if the Borrower wishes to request LIBOR Rate Loans having an Interest Period of twelve (12) months in duration, such notice must be received by the Administrative Agent not later than 12:00 p.m. four (4) Business Days prior to the requested date of such borrowing, whereupon the Administrative Agent shall give prompt notice to the Revolving Credit Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. If the Borrower fails to specify a type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as Base Rate Loans. If the Borrower requests a borrowing of LIBOR Rate Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. A Notice of Borrowing received after 12:00 p.m. shall be deemed received on the next Business Day. The Administrative Agent shall promptly notify the Revolving Credit Lenders of each Notice of Borrowing.

b. Disbursement of Revolving Credit and Swingline Loans. Not later than 3:00 p.m. on the proposed borrowing date, (i) each Revolving Credit Lender (so long as, in respect of Base Rate Loans, the Administrative Agent has provided such Revolving Credit Lender with a copy of the Notice of Borrowing by no later than 12:00 p.m. on the proposed borrowing date) will make available to the Administrative Agent, for the account of the Borrower, at the office of the Administrative Agent in funds immediately available to the Administrative Agent, such Revolving Credit Lender's Revolving Credit Commitment Percentage of the Revolving Credit Loans to be made on such borrowing date and (ii) the Swingline Lender will make available to the Administrative Agent, for the account of the Borrower, at the office of the Administrative Agent in funds immediately available to the Administrative Agent, the Swingline Loans to be made on such borrowing date. The Administrative Agent will make such Loans available to the Borrower (and the Borrower hereby irrevocably authorizes the Administrative Agent to disburse the proceeds of each borrowing requested pursuant to this Section) in immediately available funds by crediting or wiring such proceeds to the deposit account of the Borrower identified in the most recent notice substantially in the form attached as Exhibit C (a "Notice of Account Designation") delivered by the Borrower to the Administrative Agent or as may be otherwise agreed upon by the Borrower and the Administrative Agent from time to time. Subject to Section 5.7 hereof, the Administrative Agent shall not be obligated to disburse the portion of the proceeds of any Revolving Credit Loan requested pursuant to this Section to the extent that any Revolving Credit Lender has not made

available to the Administrative Agent its Revolving Credit Commitment Percentage of such Loan. Revolving Credit Loans to be made for the purpose of refunding Swingline Loans shall be made by the Revolving Credit Lenders as provided in Section 2.2(b).

SECTION 2.4 Repayment and Prepayment of Revolving Credit and Swingline Loans.

a. Repayment on Termination Date. The Borrower hereby agrees to repay the outstanding principal amount of: (i) all Revolving Credit Loans in full on the Revolving Credit Maturity Date; and (ii) all Swingline Loans in accordance with Section 2.2(b) (but, in any event, no later than the Revolving Credit Maturity Date), together, in each case, with all accrued but unpaid interest thereon.

b. Mandatory Prepayments.

i. The Borrower shall make mandatory principal prepayments of the Revolving Credit Loans in amounts equal to one hundred percent (100%) of the aggregate Net Cash Proceeds from:

1. any Debt Issuance not otherwise permitted pursuant to Section 9.1. Such prepayment shall be made within three (3) Business Days after the date of receipt of the Net Cash Proceeds of any such Debt Issuance; and

2. any Asset Disposition by the Borrower or any of its Restricted Subsidiaries (other than any Asset Disposition made in the ordinary course or permitted pursuant to, and in accordance with, clauses (a), (b), (c), (d), (f), (g), (h), (i), (j), (k) and (l) of Section 9.5; provided, however, that in the case of any Asset Disposition made in accordance with Section 9.5(j), excluding any transaction prohibited by Section 9.12 but for the proviso to such section); or (B) any Insurance and Condemnation Event by the Borrower or any of its Restricted Subsidiaries. Such prepayments shall be made within three (3) Business Days after the date of receipt of the Net Cash Proceeds of such Asset Disposition; provided that, so long as no Default or Event of Default has occurred and is continuing at the time of receipt of such Net Cash Proceeds, no prepayment shall be required under this Section 2.4(b)(i)(B) with respect to such portion of such Net Cash Proceeds that the Borrower shall have, on or prior to such date given written notice to the Administrative Agent of its intent to reinvest in accordance with Section 2.4(d); provided, however, that any Lender may elect in its sole discretion, by delivering a written notice to the Administrative Agent promptly after receiving notice from the Administrative Agent of any such prepayment pursuant to this Section 2.4(b), to forego its ratable portion of any such prepayment, in which case such declined portion of the prepayment may be retained by the Borrower.

Upon the occurrence of any event triggering the prepayment requirement under clauses (i)(A) and (i)(B) above, the Borrower shall promptly deliver a Notice of Prepayment to the Administrative Agent and upon receipt of such notice, the Administrative Agent shall promptly so notify the Lenders. Each prepayment of the Revolving Credit Loans under this Section shall be applied to repay the Revolving Credit Loans then outstanding, without a corresponding reduction in the Revolving Credit Commitment.

ii. If at any time the Revolving Credit Outstandings exceed the Revolving Credit Commitment, the Borrower agrees to repay immediately upon notice from the Administrative Agent, by payment to the Administrative Agent for the account of the Revolving Credit Lenders, such portions of the Extensions of Credit which equals the amount of such excess with each such repayment applied: ***first***, to the principal amount of outstanding Swingline Loans; ***second*** to the principal amount of outstanding Revolving Credit Loans; and ***third***, with respect to any Letters of Credit then outstanding, a payment of Cash Collateral into a Cash Collateral account opened by the Administrative Agent, for the benefit of the Revolving Credit Lenders, in an amount equal to such excess (such Cash Collateral to be applied in accordance with Section 10.2(b)).

c. Optional Prepayments. The Borrower may at any time and from time to time prepay Revolving Credit Loans and Swingline Loans, in whole or in part, without penalty (except the Borrower shall reimburse the Lenders from any loss or expense, which such Lender may sustain or incur as a consequence of a prepayment of a LIBOR Rate Loan on a day that is not the last day of the relevant Interest Period), with irrevocable prior written notice to the Administrative Agent substantially in the form attached as Exhibit D (a "Notice of Prepayment") given not later than 12:00 p.m. (i) on the same Business Day as the prepayment of each Base Rate Loan and each Swingline Loan (or such later time as approved by the Administrative Agent) and (ii) at least three (3) Business Days before the prepayment of each LIBOR Rate Loan (or such later time as approved by the Administrative Agent), specifying the date and amount of prepayment and whether the prepayment is of LIBOR Rate Loans, Base Rate Loans, Swingline Loans or a combination thereof, and, if of a combination thereof, the amount allocable to each.

Upon receipt of such notice, the Administrative Agent shall promptly notify each Revolving Credit Lender. If any such notice is given, the amount specified in such notice shall be due and payable on the date set forth in such notice. Partial prepayments shall be in an aggregate amount of $1,000,000 or a whole multiple of $100,000 in excess thereof with respect to Base Rate Loans (other than Swingline Loans), $1,000,000 or a whole multiple of $100,000 in excess thereof with respect to LIBOR Rate Loans, and $500,000 or a whole multiple of $100,000 in excess thereof with respect to Swingline Loans. A Notice of Prepayment received after 12:00 p.m. shall be deemed received on the next Business Day. Each such repayment shall be accompanied by any amount required to be paid pursuant to Section 5.9 hereof. Notwithstanding the foregoing, any Notice of Prepayment delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or other transactions or events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied (provided that the failure of such condition to be satisfied shall not relieve the Borrower from its obligations in respect thereof under Section 5.9).

d. Reinvestment Option. With respect to any Net Cash Proceeds realized or received with respect to any Asset Disposition or any Insurance and Condemnation Event by any Credit Party or any Subsidiary thereof (in each case, to the extent not excluded pursuant to Section 2.4(b)), at the option of the Borrower, the Credit Parties or any of their Subsidiaries may reinvest all or any portion of such Net Cash Proceeds in assets used or useful for the business of the Credit Parties and their Subsidiaries within: (x) twelve (12) months following receipt of such Net Cash Proceeds; or (y) if such Credit Party or Subsidiary, within twelve (12) months following receipt of such Net Cash Proceeds, enters into a bona fide commitment to reinvest such Net Cash Proceeds, within eighteen (18) months following receipt of such Net Cash Proceeds; provided that if any Net Cash Proceeds have not been so reinvested within such twelve (12) months or eighteen (18) months, as applicable, an amount equal to such Net Cash Proceeds that have not been so reinvested shall be applied to the repayment of the Revolving Credit Loans pursuant to Section 2.4(b) within three (3) Business Days after the end of such twelve (12) twelve months or eighteen (18) months, as applicable. Pending the final application of any such Net Cash Proceeds, the applicable Credit Party or Subsidiary may invest an amount equal to such Net Cash Proceeds in any manner that is not prohibited by this Agreement.

e. Restriction on Mandatory Prepayments. Notwithstanding any other provision of this Section 2.4, to the extent that any or all of the Net Cash Proceeds of a Foreign Disposition or the Net Cash Proceeds of any Foreign Casualty Event is prohibited or delayed by applicable local law or organizational document restrictions (including financial assistance, corporate benefit, restrictions on dividends and the fiduciary and statutory duties of directors of the applicable Foreign Subsidiaries and as a result of minority ownership in the applicable Foreign Subsidiaries) from being repatriated to the United States, an amount equal to the portion of such Net Cash Proceeds so affected will not be required to be applied to make a prepayment of the Revolving Credit Loans at the time provided in this Section 2.4. Instead, (A) such amounts may be retained so long as, but only so long as, the applicable local law or organizational document restriction will not permit repatriation to the United States, and once such repatriation of any such affected Net Cash Proceeds is permitted under the applicable local law, such repatriation will be promptly (and in any event not later than three (3) Business Days after such repatriation) applied (net of additional taxes payable or reserved against as a result thereof) to the repayment of the Revolving Credit Loans pursuant to this Section 2.4. In addition, notwithstanding any other provision of this Section 2.4, to the extent the Borrower has reasonably determined in good faith that repatriation of any or all of the Net Cash Proceeds of any Foreign Disposition or any Foreign Casualty Event would have a material adverse tax consequence (taking into account any foreign tax credit or benefit received in connection with such repatriation), then, to the extent that such material adverse tax consequence is not directly attributable to actions taken by the Borrower or any of its Subsidiaries with the intent of avoiding or reducing any mandatory prepayment otherwise required, the Borrower shall not be required to make a prepayment with an amount equal to such portion of Net Cash Proceeds as required pursuant to this Section 2.4; provided that on or before the date on which any Net Cash Proceeds so retained would otherwise have been required to be applied to reinvestments or prepayments, (x) the Borrower shall apply an amount equal to such Net Cash Proceeds to such reinvestments or prepayments as if such amount has been repatriated, less the amount of additional taxes that would have been payable or reserved against if such amount has been repatriated or (y) such Net Cash Proceeds are applied towards the permanent extinguishment of Indebtedness of any Subsidiary of the Borrower that is not a Subsidiary Guarantor, to the extent relating to an Asset Disposition by such a Subsidiary.

f. Limitation on Prepayment of LIBOR Rate Loans. The Borrower may not prepay any LIBOR Rate Loan on any day other than on the last day of the Interest Period applicable thereto unless such prepayment is accompanied by any amount required to be paid pursuant to Section 5.9 hereof.

g. Hedge Agreements. No repayment or prepayment of the Loans pursuant to this Section shall affect any of the Borrower’s obligations under any Hedge Agreement entered into with respect to the Loans.

SECTION 2.5 Permanent Reduction of the Revolving Credit Commitment.

a. Voluntary Reduction. The Borrower shall have the right at any time and from time to time, upon at least five (5) Business Days prior irrevocable written notice to the Administrative Agent, to permanently reduce, without premium or penalty: (i) the entire Revolving Credit Commitment at any time; or (ii) portions of the Revolving Credit Commitment, from time to time, in an aggregate principal amount not less than $1,000,000 or any whole multiple of $1,000,000 in excess thereof. Any reduction of the Revolving Credit Commitment shall be applied to the Revolving Credit Commitment of each Revolving Credit Lender according to its Revolving Credit Commitment Percentage. All Commitment Fees accrued until the effective date of any termination of the Revolving Credit Commitment shall be paid on the effective date of such termination. Notwithstanding the foregoing, any notice to reduce the Revolving Credit Commitment delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or other transactions or events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied (provided that the failure of such condition to be satisfied shall not relieve the Borrower from its obligations in respect thereof under Section 5.9).

b. Corresponding Payment. Each permanent reduction permitted pursuant to this Section shall be accompanied by a payment of principal sufficient to reduce the aggregate outstanding Revolving Credit Loans, Swingline Loans and L/C Obligations, as applicable, after such reduction to the Revolving Credit Commitment as so reduced, and if the aggregate amount of all outstanding Letters of Credit exceeds the Revolving Credit Commitment as so reduced, the Borrower shall be required to deposit Cash Collateral in a Cash Collateral account opened by the Administrative Agent in an amount equal to such excess. Such Cash Collateral shall be applied in accordance with Section 10.2(b). Any reduction of the Revolving Credit Commitment to zero shall be accompanied by payment of all outstanding Revolving Credit Loans and Swingline Loans (and furnishing of Cash Collateral satisfactory to the Administrative Agent for all L/C Obligations) and shall result in the termination of the Revolving Credit Commitment and the Swingline Commitment and the Revolving Credit Facility. If the reduction of the Revolving Credit Commitment requires the repayment of any LIBOR Rate Loan, such repayment shall be accompanied by any amount required to be paid pursuant to Section 5.9 hereof.

SECTION 2.6 Termination of Revolving Credit Facility. The Revolving Credit Facility and the Revolving Credit Commitments shall terminate on the Revolving Credit Maturity Date.

ARTICLE III

LETTER OF CREDIT FACILITY

SECTION 3.1 L/C Facility.

a. Availability. Subject to the terms and conditions of this Agreement and the other Loan Documents, including, without limitation, Section 6.2(d), each Issuing Lender, in reliance on the representations and warranties set forth in this Agreement and the other Loan Documents and on the agreements of the Revolving Credit Lenders set forth in Section 3.4(a), agrees to issue standby Letters of Credit, in an aggregate amount not to exceed its L/C Commitment, for the account of the Borrower or, subject to Section 3.10, any Subsidiary thereof on any Business Day from the Closing Date to, but not including the fifth (5^{th}) Business Day prior to the Revolving Credit Maturity Date, in such form as may be approved from time to time by the applicable Issuing Lender; provided that no Issuing Lender shall issue any Letter of Credit if, after giving effect to such issuance: (a) the L/C Obligations would exceed the L/C Sublimit; (b) the Revolving Credit Outstandings would exceed the Revolving Credit Commitment; or (c) the Revolving Credit Exposure of any Revolving Credit Lender would exceed such Lender's Revolving Credit Commitment.

b. Form and Amount. Each Letter of Credit shall: (i) be denominated in Dollars in a minimum amount agreed to by the Issuing Lender; (ii) be a standby letter of credit issued to support obligations of the Borrower or any of its Subsidiaries, contingent or otherwise, incurred in the ordinary course of business; (iii) expire on a date no more than twelve (12) months after the date of issuance or last renewal of such Letter of Credit (subject to automatic renewal for additional one (1) year periods pursuant to the terms of the Letter of Credit Application or other documentation acceptable to the applicable Issuing Lender), which date shall be no later than the fifth (5th) Business Day prior to the Revolving Credit Maturity Date; and (iv) be subject to the ISP98 as set forth in the Letter of Credit Application or as determined by the applicable Issuing Lender and, to the extent not inconsistent therewith, the laws of the State of New York.

c. Restrictions on Issuance. No Issuing Lender shall at any time be obligated to issue any Letter of Credit hereunder if: (i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any Applicable Law applicable to such Issuing Lender or

any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or request that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to letters of credit generally or such Letter of Credit in particular any restriction or reserve or capital requirement (for which such Issuing Lender is not otherwise compensated) not in effect on the Closing Date, or any unreimbursed loss, cost or expense that was not applicable, in effect or known to such Issuing Lender as of the Closing Date and that such Issuing Lender in good faith deems material to it; or (ii) the conditions set forth in Section 6.2 are not satisfied, or (C) the beneficiary of such Letter of Credit is a Sanctioned Person. References herein to "issue" and derivations thereof with respect to Letters of Credit shall also include extensions or modifications of any outstanding Letters of Credit, unless the context otherwise requires.

d. Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, Article III shall be subject to the terms and conditions of Section 5.14 and Section 5.15.

SECTION 3.2 Procedure for Issuance of Letters of Credit. The Borrower may from time to time request that any Issuing Lender issue a Letter of Credit by delivering to such Issuing Lender at its applicable office (with a copy to the Administrative Agent at the Administrative Agent's Office) a Letter of Credit Application therefor, completed to the reasonable satisfaction of such Issuing Lender, and such other certificates, documents and other papers and information as such Issuing Lender or the Administrative Agent may request. Upon receipt of any Letter of Credit Application, the applicable Issuing Lender shall, process such Letter of Credit Application and the certificates, documents and other papers and information delivered to it in connection therewith in accordance with its customary procedures and shall, subject to Section 3.1 and Article VI, promptly issue the Letter of Credit requested thereby (but in no event shall such Issuing Lender be required to issue any Letter of Credit earlier than three (3) Business Days after its receipt of the Letter of Credit Application therefor and all such other certificates, documents and other papers and information relating thereto) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed by such Issuing Lender and the Borrower. The applicable Issuing Lender shall promptly furnish to the Borrower and the Administrative Agent a copy of such Letter of Credit and the Administrative Agent shall promptly notify each Revolving Credit Lender of the issuance and upon request by any Lender, furnish to such Revolving Credit Lender a copy of such Letter of Credit and the amount of such Revolving Credit Lender's participation therein.

SECTION 3.3 Commissions and Other Charges.

a. Letter of Credit Commissions. Subject to Section 5.15(a)(iii)(B), the Borrower shall pay to the Administrative Agent, for the account of the applicable Issuing Lender and the L/C Participants a letter of credit commission with respect to each Letter of Credit in the amount equal to the daily amount available to be drawn under such Letters of Credit during the applicable quarter *times* the Applicable Margin with respect to Revolving Credit Loans that are LIBOR Rate Loans (determined, in each case, on a per annum basis). Such commission shall be payable quarterly in arrears on the last Business Day of each calendar quarter, on the Revolving Credit Maturity Date and thereafter on demand of the Administrative Agent. The Administrative Agent shall, promptly following its receipt thereof, distribute to the applicable Issuing Lender and the L/C Participants all commissions received pursuant to this Section 3.3 in accordance with their respective Revolving Credit Commitment Percentages.

b. Issuance Fee. In addition to the foregoing commission, the Borrower shall pay directly to the applicable Issuing Lender, for its own account, an issuance fee with respect to each Letter of Credit issued by such Issuing Lender equal to 0.125% per annum on the daily maximum amount available to be drawn under each such Letter of Credit during the applicable quarter. Such issuance fee shall be payable quarterly in arrears on the last Business Day of each calendar quarter commencing with the first such date to occur after the issuance of such Letter of Credit, on the Revolving Credit Maturity Date and thereafter on demand of the applicable Issuing Lender.

c. Other Fees, Costs, Charges and Expenses. In addition to the foregoing fees and commissions, the Borrower shall pay or reimburse each Issuing Lender for such normal and customary fees, costs, charges and expenses as are incurred or charged by such Issuing Lender in issuing, effecting payment under, amending or otherwise administering any Letter of Credit issued by it.

SECTION 3.4 L/C Participations.

a. Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce each Issuing Lender to issue Letters of Credit hereunder, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from each Issuing Lender, on the terms and conditions hereinafter stated, for such L/C Participant's own account and risk, an undivided interest equal to such L/C Participant's Revolving Credit Commitment

Percentage in each Issuing Lender's obligations and rights under and in respect of each Letter of Credit issued by it hereunder and the amount of each draft paid by such Issuing Lender thereunder. Each L/C Participant unconditionally and irrevocably agrees with each Issuing Lender that, if a draft is paid under any Letter of Credit issued by such Issuing Lender for which such Issuing Lender is not reimbursed in full by the Borrower through a Revolving Credit Loan or otherwise in accordance with the terms of this Agreement, such L/C Participant shall pay to such Issuing Lender upon demand at such Issuing Lender's address for notices specified herein an amount equal to such L/C Participant's Revolving Credit Commitment Percentage of the amount of such draft, or any part thereof, which is not so reimbursed.

b. Upon becoming aware of any amount required to be paid by any L/C Participant to any Issuing Lender pursuant to Section 3.4(a) in respect of any unreimbursed portion of any payment made by such Issuing Lender under any Letter of Credit, issued by it, such Issuing Lender shall notify the Administrative Agent of such unreimbursed amount and the Administrative Agent shall notify each L/C Participant (with a copy to the applicable Issuing Lender) of the amount and due date of such required payment and such L/C Participant shall pay to the Administrative Agent (which, in turn shall pay such Issuing Lender) the amount specified on the applicable due date. If any such amount is paid to such Issuing Lender after the date such payment is due, such L/C Participant shall pay to such Issuing Lender on demand, in addition to such amount, the product of: (i) such amount; *times* (ii) the daily average Federal Funds Rate as determined by the Administrative Agent during the period from and including the date such payment is due to the date on which such payment is immediately available to such Issuing Lender; *times* (iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. A certificate of such Issuing Lender with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error. With respect to payment to such Issuing Lender of the unreimbursed amounts described in this Section, if the L/C Participants receive notice that any such payment is due (A) prior to 1:00 p.m. on any Business Day, such payment shall be due that Business Day, and (B) after 1:00 p.m. on any Business Day, such payment shall be due on the following Business Day.

c. Whenever, at any time after any Issuing Lender has made payment under any Letter of Credit issued by it and has received from any L/C Participant its Revolving Credit Commitment Percentage of such payment in accordance with this Section, such Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or otherwise), or any payment of interest on account thereof, such Issuing Lender will promptly distribute to such L/C Participant its pro rata share thereof; provided, that in the event that any such payment received by such Issuing Lender shall be required to be returned by such Issuing Lender, such L/C Participant shall promptly return to such Issuing Lender the portion thereof previously distributed by such Issuing Lender to it.

d. Each L/C Participant's obligation under Section 3.4(b) and to purchase participating interests pursuant to Section 3.4(a) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such Revolving Credit Lender or the Borrower may have against the Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii) with respect to the obligation to purchase participating interests pursuant to Section 3.4(a), the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article VI, (iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Credit Party or any other Revolving Credit Lender or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

SECTION 3.5 Reimbursement Obligation of the Borrower. In the event of any drawing under any Letter of Credit, the Borrower agrees to reimburse (either with the proceeds of a Revolving Credit Loan as provided for in this Section or with funds from other sources), in same day funds the applicable Issuing Lender on each date on which such Issuing Lender notifies the Borrower of the date and amount of a draft paid by it under any Letter of Credit for the amount of (a) such draft so paid and (b) any amounts referred to in Section 3.3(c) incurred by such Issuing Lender in connection with such payment. Unless the Borrower shall immediately notify such Issuing Lender that the Borrower intends to reimburse such Issuing Lender for such drawing from other sources or funds, the Borrower shall be deemed to have timely given a Notice of Borrowing to the Administrative Agent requesting that the Revolving Credit Lenders make a Revolving Credit Loan as a Base Rate Loan on the applicable repayment date in the amount of (i) such draft so paid and (ii) any amounts referred to in Section 3.3(c) incurred by such Issuing Lender in connection with such payment, and, subject to satisfaction or waiver of the conditions specified in Section 6.2, the Revolving Credit Lenders shall make a Revolving Credit Loan as a Base Rate Loan in such amount, the proceeds of which shall be applied to reimburse such Issuing Lender for the amount of the related drawing and such fees and expenses. Each Revolving Credit Lender acknowledges and agrees that its obligation to fund a Revolving Credit Loan in accordance with this Section to reimburse such Issuing Lender for any draft paid under a Letter of Credit issued by it is absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, non-satisfaction of the conditions set forth in Section 2.3(a), except for the failure to satisfy any of the conditions specified in Section 6.2 which have not been waived. If the Borrower has elected to pay the amount of such drawing with funds from other

sources and shall fail to reimburse such Issuing Lender as provided above, or if the amount of such drawing is not fully refunded through a Base Rate Loan as provided above, the unreimbursed amount of such drawing shall bear interest at the rate which would be payable on any outstanding Base Rate Loans which were then overdue from the date such amounts become payable (whether at stated maturity, by acceleration or otherwise) until payment in full.

SECTION 3.6 Obligations Absolute. The Borrower's obligations under this Article III (including, without limitation, the Reimbursement Obligation) shall be absolute and unconditional under any and all circumstances and irrespective of any set off, counterclaim or defense to payment which the Borrower may have or have had against the applicable Issuing Lender or any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees that the applicable Issuing Lender and the L/C Participants shall not be responsible for, and the Borrower's Reimbursement Obligation under Section 3.5 shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among the Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee. No Issuing Lender shall be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit issued by it, except for errors or omissions caused by such Issuing Lender's gross negligence or willful misconduct, as determined by a court of competent jurisdiction by final nonappealable judgment. The Borrower agrees that any action taken or omitted by any Issuing Lender under or in connection with any Letter of Credit issued by it or the related drafts or documents, if done in the absence of gross negligence or willful misconduct shall be binding on the Borrower and shall not result in any liability of such Issuing Lender or any L/C Participant to the Borrower. The responsibility of any Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit issued by it shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment substantially conforms to the requirements under such Letter of Credit.

SECTION 3.7 Effect of Letter of Credit Application. To the extent that any provision of any Letter of Credit Application related to any Letter of Credit is inconsistent with the provisions of this Article III, the provisions of this Article III shall apply.

SECTION 3.8 Resignation of Issuing Lenders.

a. Any Lender may at any time resign from its role as an Issuing Lender hereunder upon not less than thirty (30) days prior notice to the Borrower and the Administrative Agent (or such shorter period of time as may be acceptable to the Borrower and the Administrative Agent).

b. Any resigning Issuing Lender shall retain all the rights, powers, privileges and duties of an Issuing Lender hereunder with respect to all Letters of Credit issued by it that are outstanding as of the effective date of its resignation as an Issuing Lender and all L/C Obligations with respect thereto (including, without limitation, the right to require the Revolving Credit Lenders to take such actions as are required under Section 3.4). Without limiting the foregoing, upon the resignation of a Lender as an Issuing Lender hereunder, the Borrower may, or at the request of such resigned Issuing Lender the Borrower shall, use commercially reasonable efforts to, arrange for one or more of the other Issuing Lenders to issue Letters of Credit hereunder in substitution for the Letters of Credit, if any, issued by such resigned Issuing Lender and outstanding at the time of such resignation, or make other arrangements satisfactory to the resigned Issuing Lender to effectively cause another Issuing Lender to assume the obligations of the resigned Issuing Lender with respect to any such Letters of Credit.

SECTION 3.9 Reporting of Letter of Credit Information and L/C Commitment. At any time that there is an Issuing Lender that is not also the financial institution acting as Administrative Agent, then: (a) on the last Business Day of each calendar month; (b) on each date that a Letter of Credit is amended, terminated or otherwise expires; (c) on each date that a Letter of Credit is issued or the expiry date of a Letter of Credit is extended; and (d) upon the request of the Administrative Agent, each Issuing Lender (or, in the case of clauses (b), (c) or (d) of this Section, the applicable Issuing Lender) shall deliver to the Administrative Agent a report setting forth in form and detail reasonably satisfactory to the Administrative Agent information (including, without limitation, any reimbursement, Cash Collateral, or termination in respect of Letters of Credit issued by such Issuing Lender) with respect to each Letter of Credit issued by such Issuing Lender that is outstanding hereunder. In addition, each Issuing Lender shall provide notice to the Administrative Agent of its L/C Commitment, or any change thereto, promptly upon it becoming an Issuing Lender or making any change to its L/C Commitment. No failure on the part of any Issuing Lender to provide such information pursuant to this Section 3.9 shall limit the obligations of the Borrower or any Revolving Credit Lender hereunder with respect to its reimbursement and participation obligations hereunder.

SECTION 3.10 Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse, or to cause the applicable Subsidiary to reimburse, the applicable Issuing Lender hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any of its Subsidiaries inures to the benefit of the Borrower and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

ARTICLE IV

[RESERVED]

ARTICLE V

GENERAL LOAN PROVISIONS

SECTION 5.1 Interest.

a. Interest Rate Options. Subject to the provisions of this Section, at the election of the Borrower: (i) Revolving Credit Loans shall bear interest at: (A) the Base Rate *plus* the Applicable Margin; or (B) the LIBOR Rate *plus* the Applicable Margin (provided that the LIBOR Rate shall not be available until three (3) Business Days (or four (4) Business Days with respect to a LIBOR Rate based on a twelve month Interest Period) after the Closing Date unless the Borrower has delivered to the Administrative Agent a letter in form and substance reasonably satisfactory to the Administrative Agent indemnifying the Lenders in the manner set forth in Section 5.9 of this Agreement); and (ii) any Swingline Loan shall bear interest at the Base Rate *plus* the Applicable Margin. The Borrower shall select the rate of interest and Interest Period, if any, applicable to any Loan at the time a Notice of Borrowing is given or at the time a Notice of Conversion/Continuation is given pursuant to Section 5.2.

b. Default Rate. If any amount payable by the Borrower is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to: (A) in the case of LIBOR Rate Loans at a rate equal to two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to LIBOR Rate Loans and (B) in the case of Base Rate Loans and other Obligations arising hereunder or under any other Loan Document at a rate per annum equal to two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to Base Rate Loans or such other Obligations arising hereunder or under any other Loan Document. Such accrued and unpaid interest shall be due and payable on demand of the Administrative Agent. Interest shall continue to accrue on the Obligations after the filing by or against the Borrower of any petition seeking any relief in bankruptcy or under any Debtor Relief Law.

c. Interest Payment and Computation. Interest on each Base Rate Loan shall be due and payable in arrears on the last Business Day of each calendar quarter commencing with the last Business Day of the first calendar quarter ending after the Closing Date; and interest on each LIBOR Rate Loan shall be due and payable on the last day of each Interest Period applicable thereto, and if such Interest Period extends over three (3) months, at the end of each three (3) month interval during such Interest Period. All computations of interest for Base Rate Loans shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All computations of interest for all LIBOR Rate Loans shall be made on the basis of a year of 360 days and actual days elapsed.

d. Maximum Rate. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest under this Agreement charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any Applicable Law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that the Lenders have charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by Applicable Law and the Lenders shall at the Administrative Agent's option: (i) promptly refund to the Borrower any interest received by the Lenders in excess of the maximum lawful rate; or (ii) apply such excess to the principal balance of the Obligations. It is the intent hereof that the Borrower not pay or contract to pay, and that neither the Administrative Agent nor any Lender receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by the Borrower under Applicable Law.

SECTION 5.2 Notice and Manner of Conversion or Continuation of Loans. Provided that no Default or Event of Default has occurred and is then continuing, the Borrower shall have the option to: (a) convert at any time following the third (3rd) Business Day after the Closing Date all or any portion of any outstanding Base Rate Loans (other than Swingline Loans) in a principal amount equal to $1,000,000 or any whole multiple of $100,000 in excess thereof into one or more LIBOR Rate

Loans; and (b) upon the expiration of any Interest Period: (i) convert all or any part of its outstanding LIBOR Rate Loans in a principal amount equal to $1,000,000 or a whole multiple of $100,000 in excess thereof into Base Rate Loans (other than Swingline Loans); or (ii) continue such LIBOR Rate Loans as LIBOR Rate Loans. Whenever the Borrower desires to convert or continue Loans as provided above, the Borrower shall give the Administrative Agent irrevocable prior written notice in the form attached as Exhibit E (a "Notice of Conversion/Continuation") not later than 1:00 p.m. three (3) Business Days before the day on which a proposed conversion or continuation of such Loan is to be effective specifying: (A) the Loans to be converted or continued, and, in the case of any LIBOR Rate Loan to be converted or continued, the last day of the Interest Period therefor; (B) the effective date of such conversion or continuation (which shall be a Business Day); (C) the principal amount of such Loans to be converted or continued; and (D) the Interest Period to be applicable to such converted or continued LIBOR Rate Loan; provided that if the Borrower wishes to request LIBOR Rate Loans having an Interest Period of twelve months in duration, such notice must be received by the Administrative Agent not later than 1:00 p.m. four (4) Business Days prior to the requested date of such conversion or continuation, whereupon the Administrative Agent shall give prompt notice to the applicable Lenders of such request and determine whether the requested Interest Period is acceptable to all of them; provided, further, that the Notice of Borrowing with respect to the Loans to be borrowed on the Closing Date may be in such form and may be delivered on such shorter notice as may be agreed by the Administrative Agent. If the Borrower fails to give a timely Notice of Conversion/Continuation prior to the end of the Interest Period for any LIBOR Rate Loan, then the applicable LIBOR Rate Loan shall be continued as a LIBOR Rate Loan and will be deemed to have the same Interest Period as was then in effect prior to the expiration of the previous Interest Period during which the Borrower failed to give a timely Notice of Conversion/Continuation. Any such automatic continuation of a LIBOR Rate Loan shall be effective as of the last day of the Interest Period then in effect with respect to the applicable LIBOR Rate Loan. If the Borrower requests a conversion to, or continuation of, LIBOR Rate Loans, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Notwithstanding anything to the contrary herein, a Swingline Loan may not be converted to a LIBOR Rate Loan. The Administrative Agent shall promptly notify the affected Lenders of such Notice of Conversion/Continuation.

SECTION 5.3 Fees.

a. Commitment Fee. Commencing on the Closing Date, subject to Section 5.15(a)(iii)(A), the Borrower shall pay to the Administrative Agent, for the account of the Revolving Credit Lenders, a non-refundable commitment fee (the "Commitment Fee"), at a rate per annum equal to the applicable amount for Commitment Fees set forth in the definition of "Applicable Margin," on the average daily unused portion of the Revolving Credit Commitment of the Revolving Credit Lenders (other than the Defaulting Lenders, if any); provided that the amount of outstanding Swingline Loans shall not be considered usage of the Revolving Credit Commitment for the purpose of calculating the Commitment Fee. The Commitment Fee shall be fully earned and due and payable quarterly in arrears (calculated on a 360-day basis) on the last Business Day of each calendar quarter during the term of this Agreement commencing with the last Business Day of the first calendar quarter ending after the Closing Date and ending on the date upon which all Obligations (other than contingent indemnification obligations not then due) arising under the Revolving Credit Facility shall have been indefeasibly and irrevocably paid and satisfied in full, all Letters of Credit have been terminated or expired (or been Cash Collateralized) and the Revolving Credit Commitment has been terminated. The Commitment Fee shall be distributed by the Administrative Agent to the Revolving Credit Lenders (other than any Defaulting Lender) pro rata in accordance with such Revolving Credit Lenders' respective Revolving Credit Commitment Percentages.

b. Other Fees. The Borrower shall pay to the Arranger and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in their Fee Letter. The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified.

SECTION 5.4 Manner of Payment. Each payment by the Borrower on account of the principal of or interest on the Loans or of any fee, commission or other amounts (including the Reimbursement Obligation) payable to the Lenders under this Agreement shall be made not later than 3:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent at the Administrative Agent's Office for the account of the Lenders entitled to such payment in Dollars, in immediately available funds and shall be made without any set off, counterclaim or deduction whatsoever. Any payment received after such time but before 4:00 p.m. on such day shall be deemed a payment on such date for the purposes of Section 10.1, but for all other purposes shall be deemed to have been made on the next succeeding Business Day. Any payment received after 4:00 p.m. shall be deemed to have been made on the next succeeding Business Day for all purposes. Upon receipt by the Administrative Agent of each such payment, the Administrative Agent shall distribute to each such Lender at its address for notices set forth herein its Commitment Percentage in respect of the relevant Credit Facility (or other applicable share as provided herein) of such payment and shall wire advice of the amount of such credit to each Lender. Each payment to the Administrative Agent on account of the principal of or interest on the Swingline Loans or of any fee, commission or other amounts payable to the Swingline Lender shall be made in like manner, but for the account of the Swingline Lender. Each payment to the Administrative Agent of any Issuing Lender's fees or L/C Participants' commissions shall be made in like manner, but for the

account of such Issuing Lender or the L/C Participants, as the case may be. Each payment to the Administrative Agent of Administrative Agent's fees or expenses shall be made for the account of the Administrative Agent and any amount payable to any Lender under Sections 5.9, 5.10, 5.11 or 12.3 shall be paid to the Administrative Agent for the account of the applicable Lender. Subject to the definition of Interest Period, if any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and such extension of time shall in such case be included in computing any interest if payable along with such payment. Notwithstanding the foregoing, if there exists a Defaulting Lender each payment by the Borrower to such Defaulting Lender hereunder shall be applied in accordance with Section 5.15(a)(ii).

SECTION 5.5 Evidence of Indebtedness.

a. Extensions of Credit. The Extensions of Credit made by each Lender and each Issuing Lender shall be evidenced by one or more accounts or records maintained by such Lender or such Issuing Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender or the applicable Issuing Lender shall be conclusive absent manifest error of the amount of the Extensions of Credit made by the Lenders or such Issuing Lender to the Borrower and its Subsidiaries and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender or any Issuing Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Revolving Credit Note and/or Swingline Note, as applicable, which shall evidence such Lender's Revolving Credit Loans and/or Swingline Loans, as applicable, in addition to such accounts or records. Each Lender may attach schedules to its Notes and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

b. Participations. In addition to the accounts and records referred to in subsection (a), each Revolving Credit Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Revolving Credit Lender of participations in Letters of Credit and Swingline Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Revolving Credit Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

SECTION 5.6 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations (other than pursuant to Section 5.9, Section 5.10, Section 5.11 or Section 12.3) greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall: (a) notify the Administrative Agent of such fact; and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them; provided that:

i. if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and

ii. the provisions of this paragraph shall not be construed to apply to: (A) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or a Disqualified Institution); (B) the application of Cash Collateral provided for in Section 5.14; or (C) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in Swingline Loans and Letters of Credit to any assignee or participant, other than to the Borrower or any of its Subsidiaries or Affiliates (as to which the provisions of this paragraph shall apply).

Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Credit Party in the amount of such participation.

SECTION 5.7 Administrative Agent's Clawback.

a. Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender: (i) in the case of Base Rate Loans, not later than 12:00 noon on the date of any proposed borrowing; and (ii) otherwise, prior to the proposed date of any borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Sections 2.3(b) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at: (A) in the case of a payment to be made by such Lender, the greater of the daily average Federal Funds Rate and a rate reasonably determined by the Administrative Agent in accordance with banking industry rules on interbank compensation; and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

b. Payments by the Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders, the Issuing Lender or the Swingline Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders, the Issuing Lender or the Swingline Lender, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders, the Issuing Lender or the Swingline Lender, as the case maybe, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, Issuing Lender or the Swingline Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate reasonably determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

c. Nature of Obligations of Lenders Regarding Extensions of Credit. The obligations of the Lenders under this Agreement to make the Loans and issue or participate in Letters of Credit or pay any other amounts hereunder are several and are not joint or joint and several. The failure of any Lender to make available its Commitment Percentage of any Loan requested by the Borrower or of any other amount hereunder shall not relieve it or any other Lender of its obligation, if any, hereunder to make its Commitment Percentage of such Loan available on the borrowing date or of such other amount hereunder on the applicable payment date, but no Lender shall be responsible for the failure of any other Lender to make its Commitment Percentage of such Loan available on the borrowing date or of such other amount available on the applicable payment date.

SECTION 5.8 Changed Circumstances.

a. Circumstances Affecting LIBOR Rate Availability. Unless and until a Replacement Rate is implemented in accordance with clause (c) below, in connection with any request for a LIBOR Rate Loan or a conversion to or continuation thereof or otherwise, if for any reason: (i) the Administrative Agent shall determine in good faith (which determination shall be conclusive and binding absent manifest error) that Dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable amount and Interest Period of such Loan; (ii) the Administrative Agent shall determine in good faith (which determination shall be conclusive and binding absent manifest error) that reasonable and adequate means do not exist for ascertaining the LIBOR Rate for such Interest Period in good faith with respect to a proposed LIBOR Rate Loan; or (iii) the Required Lenders shall determine (which determination shall be conclusive and binding absent manifest error) that the LIBOR Rate does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans during such Interest Period, then the Administrative Agent shall promptly give notice thereof to the Borrower. Thereafter, until the Administrative Agent notifies the Borrower that such circumstances no longer exist, the obligation of the Lenders to make LIBOR Rate Loans and the right of the Borrower to convert any Loan to or continue any Loan as a LIBOR Rate Loan shall be suspended, and the Borrower shall either: (A) repay in full (or cause to be repaid in full) the then outstanding principal amount of each such LIBOR Rate Loan together with accrued interest thereon (subject to Section 5.1(d)), on the last day of the then current Interest Period applicable to such LIBOR Rate Loan; or (B) convert the then outstanding principal amount of each such LIBOR Rate Loan to a Base Rate Loan as of the last day of such Interest Period.

b. Laws Affecting LIBOR Rate Availability. If, after the date hereof, the introduction of, or any change in, any Applicable Law or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any of the Lenders (or any of their respective Lending Offices) with any request or directive (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, shall make it unlawful or impossible for any of the Lenders (or any of their respective Lending Offices) to honor its obligations hereunder to make or maintain any LIBOR Rate Loan, such Lender shall promptly give notice thereof to the Administrative Agent and the Administrative Agent shall promptly give notice to the Borrower and the other Lenders. Thereafter, until the Administrative Agent notifies the Borrower that such circumstances no longer exist: (i) the obligations of the Lenders to make LIBOR Rate Loans, and the right of the Borrower to convert any Loan to a LIBOR Rate Loan or continue any Loan as a LIBOR Rate Loan shall be suspended and thereafter the Borrower may select only Base Rate Loans; and (ii) if any of the Lenders may not lawfully continue to maintain a LIBOR Rate Loan to the end of the then current Interest Period applicable thereto, the applicable Loan shall immediately be converted to a Base Rate Loan for the remainder of such Interest Period.

c. Alternative Rate of Interest. Notwithstanding anything to the contrary in Section 5.8(a) above, if the Administrative Agent has made the determination (such determination to be conclusive absent manifest error) that (i) the circumstances described in Section 5.8(a)(i) or (a)(ii) have arisen and that such circumstances are unlikely to be temporary, (ii) any applicable interest rate specified herein is no longer a widely recognized benchmark rate for newly originated loans in the syndicated loan market in the applicable currency or (iii) the applicable supervisor or administrator (if any) of any applicable interest rate specified herein or any Governmental Authority having or purporting to have jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which any applicable interest rate specified herein shall no longer be used for determining interest rates for loans in the syndicated loan market in the applicable currency, then the Administrative Agent may, to the extent practicable (in consultation with the Borrower and as determined by the Administrative Agent to be generally in accordance with similar situations in other transactions in which it is serving as administrative agent or otherwise consistent with market practice generally), establish a replacement interest rate (the "Replacement Rate"), in which case, the Replacement Rate shall, subject to the next two sentences, replace such applicable interest rate for all purposes under the Loan Documents unless and until (A) an event described in Section 5.8(a)(i), (a)(ii), (c)(i), (c)(ii) or (c)(iii) occurs with respect to the Replacement Rate or (B) the Administrative Agent (or the Required Lenders through the Administrative Agent) notifies the Borrower that the Replacement Rate does not adequately and fairly reflect the cost to the Lenders of funding the Loans bearing interest at the Replacement Rate. In connection with the establishment and application of the Replacement Rate, this Agreement and the other Loan Documents shall be amended solely with the consent of the Administrative Agent and the Borrower, as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 5.8(c) (including, without limitation, adjustments to the interest rate margins or interest rate benchmark floors as the Administrative Agent or the Required Lenders may request to equalize (to the extent practicable), as of the effective date of such amendment, the sum of the Replacement Rate and any applicable interest rate margin with respect thereto (taking into account applicable currencies and/or interest periods) with the sum of the applicable interest rate being replaced with such Replacement Rate and the interest rate margin applicable thereto). Notwithstanding anything to the contrary in this Agreement or the other Loan Documents (including, without limitation, Section 12.2), such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the delivery of such amendment to the Lenders, a written notice signed by Lenders constituting Required Lenders stating that such Lenders object to such amendment (which such notice shall note with specificity the particular provisions of the amendment to which such Lenders object). To the extent the Replacement Rate is approved by the Administrative Agent in connection with this clause (c), the Replacement Rate shall be applied in a manner consistent with market practice; provided that, in each case, to the extent such market practice is not administratively feasible for the Administrative Agent, such Replacement Rate shall be applied as otherwise reasonably determined by the Administrative Agent (it being understood that any such modification by the Administrative Agent shall not require the consent of, or consultation with, any of the Lenders).

SECTION 5.9 Indemnity. The Borrower hereby indemnifies each of the Lenders against any loss or expense (including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain a LIBOR Rate Loan or from fees payable to terminate the deposits from which such funds were obtained) which may arise or be attributable to each Lender's obtaining, liquidating or employing deposits or other funds acquired to effect, fund or maintain any Loan: (a) as a consequence of any failure by the Borrower to make any payment when due of any amount due hereunder in connection with a LIBOR Rate Loan; (b) due to any failure of the Borrower to borrow, continue or convert on a date specified therefor in a Notice of Borrowing or Notice of Conversion/Continuation; or (c) due to any payment, prepayment or conversion of any LIBOR Rate Loan on a date other than the last day of the Interest Period therefor. The amount of such loss or expense shall be determined, in the applicable Lender's sole discretion, based upon the assumption that such Lender funded its Commitment Percentage of the LIBOR Rate Loans in the London interbank market and using any reasonable attribution or averaging

methods which such Lender deems appropriate and practical. A certificate of such Lender setting forth in reasonable detail the basis for determining such amount or amounts necessary to compensate such Lender shall be forwarded to the Borrower through the Administrative Agent and shall be conclusively presumed to be correct save for manifest error.

SECTION 5.10 Increased Costs.

a. Increased Costs Generally. If any Change in Law shall:

i. impose, modify or deem applicable any reserve (whether for capital adequacy or liquidity or otherwise), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, any Lender (except any reserve requirement reflected in the LIBOR Rate) or any Issuing Lender;

ii. subject any Recipient to any Taxes (other than: (A) Indemnified Taxes or (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

iii. impose on any Lender or any Issuing Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or LIBOR Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender, the Issuing Lender or such other Recipient of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, such Issuing Lender or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, such Issuing Lender or such other Recipient hereunder (whether of principal, interest or any other amount) then, upon written request of such Lender, such Issuing Lender or other Recipient, the Borrower shall promptly pay to any such Lender, such Issuing Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, such Issuing Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

b. Capital Requirements. If any Lender or any Issuing Lender determines that any Change in Law affecting such Lender or such Issuing Lender or any Lending Office of such Lender or such Lender's or such Issuing Lender's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's or such Issuing Lender's capital or on the capital of such Lender's or such Issuing Lender's holding company, if any, as a consequence of this Agreement, the Revolving Credit Commitment of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by such Issuing Lender, to a level below that which such Lender or such Issuing Lender or such Lender's or such Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Lender's policies and the policies of such Lender's or such Issuing Lender's holding company with respect to capital adequacy and liquidity), then from time to time upon written request of such Lender or such Issuing Lender the Borrower shall promptly pay to such Lender or such Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Lender or such Lender's or such Issuing Lender's holding company for any such reduction suffered.

c. Certificates for Reimbursement. A certificate of a Lender, or an Issuing Lender or such other Recipient setting forth in reasonable detail the amount or amounts necessary to compensate such Lender or such Issuing Lender, such other Recipient or any of their respective holding companies, as the case may be, as specified in clause (a) or (b) of this Section and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay such Lender or such Issuing Lender or such other Recipient, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

d. Delay in Requests. Failure or delay on the part of any Lender or any Issuing Lender or such other Recipient to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Lender's or such other Recipient's right to demand such compensation; provided that the Borrower shall not be required to compensate any Lender or an Issuing Lender or any other Recipient pursuant to this Section for any increased costs incurred or reductions suffered more than six (6) months prior to the date that such Lender or such Issuing Lender or such other Recipient, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or such Issuing Lender's or such other Recipient's intention to claim compensation therefor (except that if the Change in Law

giving rise to such increased costs or reductions is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 5.11 Taxes.

a. Defined Terms. For purposes of this Section 5.11, the term "Lender" includes any Issuing Lender and the term "Applicable Law" includes FATCA.

b. Payments Free of Taxes. Any and all payments by or on account of any obligation of any Credit Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Credit Party shall be increased as necessary so that, after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section), the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

c. Payment of Other Taxes by the Credit Parties. The Credit Parties shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

d. Indemnification by the Credit Parties. The Credit Parties shall jointly and severally indemnify each Recipient, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.

e. Indemnification by the Lenders. Each Lender and each Issuing Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for: (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so); (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.9(d) relating to the maintenance of a Participant Register; and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (e). Any amounts set off and applied by the Administrative Agent pursuant to the preceding sentence in respect of amounts paid by the Borrower shall be treated as having been paid by the Borrower for purposes of the Loan Documents. The agreements in this clause (e) shall survive the resignation and/or replacement of the Administrative Agent.

f. Evidence of Payments. As soon as practicable after any payment of Taxes by any Credit Party to a Governmental Authority pursuant to this Section 5.11, such Credit Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

g. Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent,

shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 5.11(g)(ii)(B), (ii)(C) and (ii)(E) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person:

(A) The Administrative Agent, and any successor Administrative Agent that is a U.S. Person, shall deliver an executed IRS Form W-9 to the Borrower on or prior to the date the Administrative Agent becomes a party hereto and any successor Administrative Agent that is not a U.S. Person shall, to the extent it is legally entitled to do so, provide to the Borrower any and all forms described in Section 5.11(g)(ii)(C) and Section 5.11(g)(ii)(D) below;

(B) Any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from United States federal backup withholding tax;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party: (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code: (x) a certificate substantially in the form of Exhibit H-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate"); and (y) executed copies of IRS Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner of payments made to it, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-2 or Exhibit H-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-4 on behalf of each such direct and indirect partner;

(D) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in United States federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(E) if a payment made to a Recipient under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Recipient shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Recipient has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (E), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Recipient agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

Each Lender hereby authorizes the Administrative Agent to deliver to the Credit Parties and to any successor Administrative Agent any documentation provided by such Lender to the Administrative Agent pursuant to this Section 5.11(g).

h. Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it is entitled and for which it has been indemnified pursuant to this Section 5.11 (including by the payment of additional amounts pursuant to this Section 5.11), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this clause (h) (plus any interest imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority and the requirement to repay such refund to such Governmental Authority is not due to the indemnified party's failure to file a timely and accurate form or certification or timely update such form for certification as required pursuant to Section 5.11(g). Notwithstanding anything to the contrary in this clause (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (h) if: (i) payment of the additional amounts pursuant to this Section 5.11 are not due to the indemnified party's failure to file a timely and accurate form or certification or timely update such form or certification as required pursuant to Section 5.11(g); and (ii) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

i. Tax Reporting Cooperation. The Administrative Agent shall, to the extent such information is in its possession, provide the information reasonably requested by the Borrower for the purpose of complying with the requirements of Treasury Regulations Section 1.1273-2(f)(9) to the extent such regulation is applicable to any Loan made pursuant to this Agreement.

j. Survival. Each party's obligations under this Section 5.11 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 5.12 Mitigation Obligations; Replacement of Lenders.

a. Designation of a Different Lending Office. If any Lender requests compensation under Section 5.10, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.11, then such Lender shall, at the request of the Borrower, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment: (i) would eliminate or reduce amounts payable pursuant to Section 5.10 or Section 5.11, as the case may be, in the future; and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

b. Replacement of Lenders. If any Lender requests compensation under Section 5.10, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.11, and, in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 5.12(a), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.9), all of its interests, rights (other than its existing rights to payments pursuant to Section 5.10 or Section 5.11) and obligations under this Agreement and the related Loan Documents (or in the case of a Non-Consenting Lender, all of such interests, rights and obligations with respect to the Series or Class of Loans or Commitments that is the subject of the related consent, waiver, amendment, modification or termination) to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

i. the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 12.9;

ii. such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and funded participations in Letters of Credit and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 5.9) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

iii. in the case of any such assignment resulting from a claim for compensation under Section 5.10 or payments required to be made pursuant to Section 5.11, such assignment will result in a reduction in such compensation or payments thereafter;

iv. such assignment does not conflict with Applicable Law; and

v. in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

c. Selection of Lending Office. Subject to Section 5.12(a), each Lender may make any Loan to the Borrower through any Lending Office; provided that the exercise of this option shall not affect the obligations of the Borrower to repay the Loan in accordance with the terms of this Agreement or otherwise alter the rights of the parties hereto.

SECTION 5.13 Incremental Revolving Credit Increase.

a. At any time the Borrower may by written notice to the Administrative Agent elect to request the establishment of:

i. one or more increases in the Revolving Credit Commitments (any such increase, an "Incremental Revolving Credit Commitment") to make revolving credit loans under the Revolving Credit Facility (any such increase, an "Incremental Revolving Credit Increase"); provided that (1) the total aggregate initial principal amount (as of the date of incurrence thereof) of commitments of such Incremental Revolving Credit Commitment and Incremental Revolving Credit Increase shall not exceed the Incremental Facilities Limit and (2) the total aggregate amount for each Incremental Revolving Credit Commitment (and the Incremental Revolving Credit Increase made thereunder) shall not be less than a minimum principal amount of $5,000,000 or, if less, the remaining amount permitted pursuant to the foregoing clause (1). Each such notice shall specify the date (each, an "Increased Amount Date") on which the Borrower proposes that any Incremental Revolving Credit Commitment shall be effective, which shall be a date not less than fifteen (15) Business Days after the date on which such notice is delivered to Administrative Agent (or such earlier date as may be approved by the Administrative Agent). The Borrower may invite any Lender, any Affiliate of any Lender and/or any Approved Fund, and/or any other Person, in each case reasonably satisfactory to the Administrative Agent and, in the case of a proposed Incremental Revolving Credit Increase, to each Issuing Lender and the Swingline Lender, to provide an Incremental Revolving Credit Commitment (any such Person, an "Incremental Lender"). Any proposed Incremental Lender offered or approached to provide all or a portion of any Incremental Revolving Credit Commitment may elect or decline, in its sole discretion, to provide such Incremental Revolving Credit Commitment. Any Incremental Revolving Credit Commitment shall become effective as of such Increased Amount Date; provided that each of the following conditions has been satisfied or waived as of such Increased Amount Date:

(A) subject to Section 1.11, no Default or Event of Default shall exist on such Increased Amount Date immediately before or, on a Pro Forma Basis, immediately after giving effect to (1) any Incremental Revolving Credit Commitment, and (2) the making of any Incremental Revolving Credit Increase pursuant thereto; and (3) any Permitted Acquisition consummated in connection therewith and as otherwise set forth in the definition of "Pro Forma Basis"; provided that, solely with respect to any Incremental Revolving Credit Increase incurred in connection with a Permitted Acquisition or other Investments permitted under Section 9.3: (1) no Default or Event of Default shall exist at the time the definitive documentation for such Permitted Acquisition or such other Investment permitted under Section 9.3 is executed and (2) no Event of Default under Section 10.1(a), (b), (h) or (i) shall exist at the time of funding of such Permitted Acquisition or other Investment permitted under Section 9.3;

(B) subject to Section 1.11, the Administrative Agent and the Lenders shall have received from the Borrower an Officer's Compliance Certificate demonstrating, in form and substance reasonably satisfactory to the Administrative Agent, that (i) immediately after giving effect to (1) any Incremental Revolving Credit Commitment and (2) the making of any Incremental Revolving Credit Increase pursuant thereto, on a Pro Forma Basis, the Borrower is in compliance with the financial covenants set forth in Section 9.13 based on the financial statements most recently delivered pursuant to Section 8.1(a) or 8.1(b), as applicable, and (ii) the total aggregate initial principal amount (as of the date of incurrence thereof) of Incremental Revolving Credit Commitment and Incremental Revolving Credit Increase does not exceed the Incremental Facilities Limit;

(C) subject to Section 1.11, each of the representations and warranties contained in Article VII shall be true and correct in all material respects, except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true, correct and complete in all respects, on such Increased Amount Date with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct as of such earlier date);

(D) the proceeds of any Incremental Revolving Credit Increase shall be used for general corporate purposes of the Borrower and its Subsidiaries (including Permitted Acquisitions);

(E) each Incremental Revolving Credit Commitment (and the Incremental Revolving Credit Increase made thereunder) shall constitute Obligations of the Borrower and shall be secured and guaranteed with the other Extensions of Credit on a pari passu basis by the same Collateral and Guarantors as the Revolving Credit Facility;

(F) in the case of each Incremental Revolving Credit Increase (the terms of which shall be set forth in the relevant Lender Joinder Agreement):

(x) such Incremental Revolving Credit Increase shall mature on the Revolving Credit Maturity Date, shall bear interest and be entitled to fees, in each case at a rate agreed by the Administrative Agent, the applicable Incremental Lenders and the Borrower, and shall be subject to the same terms and conditions as the Revolving Credit Loans; interest rate margins and/or unused fees with respect to any Incremental Revolving Credit Increase may be higher than the interest rate margins and/or unused fees applicable to the then existing Revolving Credit Commitments (it being understood that, to the extent any Loans under the Incremental Revolving Credit Increase have a different interest rate from the existing Loans, such Loans shall be established as a separate Tranche of Loans); provided that if the interest rate margins and/or unused fees, as applicable, in respect of any Incremental Revolving Credit Increase (as reasonably determined by the Administrative Agent) exceed, in the aggregate, the interest rate margins or unused fees for the Revolving Credit Facility by more than 50 basis points (as reasonably determined by the Administrative Agent), then the interest rate margins or unused fees for the Revolving Credit Facility shall be increased to the extent necessary so that such interest rate margins or unused fees, as applicable, are, in the aggregate, 50 basis points less than the interest rate margins or unused fees, as applicable, for such Incremental Revolving Credit Increase; provided further that in determining the interest rate margins applicable to the Incremental Revolving Credit Increase and the Revolving Credit Facility, all customary arrangement, commitment or upfront fees payable to any arranger (or its Affiliates) in connection therewith shall be excluded;

(y) the outstanding Revolving Credit Loans and Revolving Credit Commitment Percentages of Swingline Loans and L/C Obligations will be reallocated by the Administrative Agent on the applicable Increased Amount Date among the Revolving Credit Lenders (including the Incremental Lenders providing such Incremental Revolving Credit Increase) in accordance with their revised Revolving Credit Commitment

Percentages (and the Revolving Credit Lenders (including the Incremental Lenders providing such Incremental Revolving Credit Increase) agree to make all payments and adjustments necessary to effect such reallocation and the Borrower shall pay any and all costs required pursuant to Section 5.9 in connection with such reallocation as if such reallocation were a repayment); and

(z) all of the other terms and conditions applicable to such Incremental Revolving Credit Increase shall be identical to the terms and conditions applicable to the Revolving Credit Facility;

(H) any Incremental Lender with an Incremental Revolving Credit Increase shall be entitled to the same voting rights as the existing Revolving Credit Lenders under the Revolving Credit Facility and any Extensions of Credit made in connection with each Incremental Revolving Credit Increase shall receive proceeds of prepayments on the same basis as the other Revolving Credit Loans made hereunder;

(I) such Incremental Revolving Credit Commitments shall be effected pursuant to one or more Lender Joinder Agreements executed and delivered by the Borrower, the Administrative Agent and the applicable Incremental Lenders (which Lender Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 5.13); and

(J) the Borrower shall deliver or cause to be delivered any customary legal opinions or other documents (including, without limitation, a resolution duly adopted by the board of directors (or equivalent governing body) of each Credit Party authorizing such Incremental Revolving Credit Increase), as may be reasonably requested by Administrative Agent in connection with any such transaction.

b. The Incremental Lenders shall be included in any determination of the Required Lenders, and, unless otherwise agreed, the Incremental Lenders will not constitute a separate voting class for any purposes under this Agreement.

c. On any Increased Amount Date on which any Incremental Revolving Credit Increase becomes effective, subject to the foregoing terms and conditions, each Incremental Lender with an Incremental Revolving Credit Commitment shall become a Revolving Credit Lender hereunder with respect to such Incremental Revolving Credit Commitment.

SECTION 5.14 Cash Collateral. At any time that there shall exist a Defaulting Lender, within one (1) Business Day following the written request of the Administrative Agent, any Issuing Lender (with a copy to the Administrative Agent) or the Swingline Lender (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize the Fronting Exposure of such Issuing Lender and/or the Swingline Lender, as applicable, with respect to such Defaulting Lender (determined after giving effect to Section 5.15(a)(iv) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Minimum Collateral Amount. Additionally, if the Administrative Agent notifies the Borrower at any time that the L/C Obligations at such time exceed 102% of the L/C Sublimit then in effect, then, within two (2) Business Days after receipt of such notice, the Borrower shall provide Cash Collateral for the L/C Obligations in an amount not less than the amount by which the L/C Obligations exceed the L/C Sublimit.

a. Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to the Administrative Agent, for the benefit of each Issuing Lender and the Swingline Lender, and agrees to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lender's obligation to fund participations in respect of L/C Obligations and Swingline Loans, to be applied pursuant to Section 5.15(b). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent, each Issuing Lender and the Swingline Lender as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

b. Application. Notwithstanding anything to the contrary contained in this Agreement or any other Loan Document, Cash Collateral provided under this Section 5.14 or Section 5.15 in respect of Letters of Credit and Swingline Loans shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of L/C Obligations and Swingline Loans (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.

c. Termination of Requirement. Cash Collateral (or the appropriate portion thereof) provided to reduce the Fronting Exposure of any Issuing Lender and/or the Swingline Lender, as applicable, shall no longer be required to be held as Cash Collateral pursuant to this Section 5.14 following (i) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender), or (ii) the determination by the Administrative Agent, the Issuing Lenders and the Swingline Lender that there exists excess Cash Collateral; provided that, subject to Section 5.15, the Person providing Cash Collateral, the Issuing Lenders and the Swingline Lender may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations; and provided further that to the extent that such Cash Collateral was provided by the Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Loan Documents.

SECTION 5.15 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 definition of Required Lenders and Section 12.2.

ii. Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article X or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 12.4 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lenders or the Swingline Lender hereunder; *third*, to Cash Collateralize the Fronting Exposure of the Issuing Lenders and the Swingline Lender with respect to such Defaulting Lender in accordance with Section 5.14; *fourth*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan or funded participation in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans and funded participations under this Agreement and (B) Cash Collateralize the Issuing Lenders' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit and Swingline Loans issued under this Agreement, in accordance with Section 5.14; *sixth*, to the payment of any amounts owing to the Lenders, the Issuing Lenders or the Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any Issuing Lender or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (1) such payment is a payment of the principal amount of any Loans or funded participations in Letters of Credit or Swingline Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made or the related Letters of Credit or Swingline Loans were issued at a time when the conditions set forth in Section 6.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and funded participations in Letters of Credit or Swingline Loans owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or funded participations in Letters of Credit or Swingline Loans owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Revolving Credit Commitments under the applicable Revolving Credit Facility without giving effect to Section 5.15(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 this Section 5.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

iii. Certain Fees.

1. No Defaulting Lender shall be entitled to receive any Commitment Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

2. Each Defaulting Lender shall be entitled to receive letter of credit commissions pursuant to Section 3.3 for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Revolving Credit Commitment Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 5.14.

3. With respect to any Commitment Fee or letter of credit commission not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrower shall: (1) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations or Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below; (2) pay to each applicable Issuing Lender and Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Lender's or Swingline Lender's Fronting Exposure to such Defaulting Lender; and (3) 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 L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving Credit Commitment Percentages (calculated without regard to such Defaulting Lender's Revolving Credit Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Credit 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 Swingline Loans. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law: (x) *first*, repay Swingline Loans in an amount equal to the Swingline Lenders' Fronting Exposure; and (y) *second*, Cash Collateralize the Issuing Lenders' Fronting Exposure in accordance with the procedures set forth in Section 5.14.

b. Defaulting Lender Cure. If the Borrower, the Administrative Agent, the Issuing Lenders and the Swingline Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), such Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held pro rata by the Lenders in accordance with the Commitments under the applicable Credit Facility (without giving effect to Section 5.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

SECTION 5.16 Amend and Extend Transactions.

a. The Borrower may, by written notice to the Administrative Agent from time to time, request an extension (each, an "Extension") of the maturity date of any Series of Commitments to the extended maturity date specified in such notice. Such notice shall: (i) set forth the amount of the applicable Series of Revolving Credit Commitments that will be subject to the Extension (which shall be in minimum increments of $10,000,000 and a minimum amount of $50,000,000, or such lower amounts satisfactory to the Administrative Agent); (ii) set forth the date on which such Extension is requested to become effective (which shall be not less than ten (10) Business Days nor more than sixty (60) days after the date of such Extension notice (or such longer or shorter periods as the Administrative Agent shall agree in its sole discretion)); (iii) identify the relevant Series of Revolving Credit Commitments to which such Extension relates; and (iv) specify any other amendments

or modifications to this Agreement to be effected in connection with such Extension, which amendments or modifications shall apply only to the applicable Extended Revolving Credit Commitments and shall comply with Section 5.16(c). Each Lender of the applicable Series shall be offered (an "Extension Offer") an opportunity to participate in such Extension on a pro rata basis and on the same terms and conditions as each other Lender of such Series pursuant to procedures established by, or reasonably acceptable to, the Administrative Agent and the Borrower. If the aggregate principal amount of Revolving Credit Commitments in respect of which Lenders shall have accepted the relevant Extension Offer shall exceed the maximum aggregate principal amount of Revolving Credit Commitments, subject to the Extension Offer as set forth in the Extension notice, then the Revolving Credit Commitments of Lenders of the applicable Series shall be extended ratably up to such maximum amount based on the respective principal amounts with respect to which such Lenders have accepted such Extension Offer. Each group of Revolving Credit Commitments, as applicable, in each case as so extended pursuant to this Section 5.16, as well as the Revolving Credit Commitments made on the Closing Date (in each case not so extended), shall be deemed a separate Series; and any Extended Revolving Credit Commitments shall constitute a separate Series of Revolving Credit Commitments from the Series of Revolving Credit Commitments from which they were converted.

b. The following shall be conditions precedent to the effectiveness of any Extension: (i) no Default or Event of Default shall have occurred and be continuing immediately prior to and immediately after giving effect to such Extension; (ii) the representations and warranties set forth in Article VII and in each other Loan Document shall be deemed to be made and shall be true and correct in all material respects (except to the extent any such representation or warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation or warranty shall be true and correct in all respects) on and as of the effective date of such Extension; (iii) the Issuing Lender and the Swingline Lender shall have consented to any Extension of the Revolving Credit Commitments, to the extent that such Extension provides for the issuance or extension of Letters of Credit or making of Swingline Loans at any time during the extended period; and (iv) the terms of such Extended Revolving Credit Commitments shall comply with paragraph (c) of this Section.

c. The terms of each Extension shall be determined and agreed by the Borrower and the applicable extending Lenders and set forth in an Extension Amendment; provided that (i) the final maturity date of any Series of Extended Revolving Credit Commitments shall be no earlier than the Revolving Credit Maturity Date for the applicable Series, respectively; (ii) there shall be no scheduled amortization of the loans or reductions of commitments under any Extended Revolving Credit Commitments; (iii) the Extended Revolving Credit Loans will rank pari passu in right of payment and with respect to security with the existing Revolving Credit Loans and the borrower and guarantors of the Extended Revolving Credit Commitments, shall be the same as the Borrower and Guarantors with respect to the existing Revolving Credit Loans; (iv) the interest rate margin, rate floors, fees, original issue discount and premium applicable to any Series of Extended Revolving Credit Commitment (and the Extended Revolving Credit Loans thereunder) shall be determined by the Borrower and the applicable extending Lenders; (v) borrowing and prepayment of Extended Revolving Credit Loans, or reductions of Extended Revolving Credit Commitments, and participation in Letters of Credit and Swingline Loans, shall be on a pro rata basis with the other Revolving Credit Loans or Revolving Credit Commitments (except that the Borrower shall be permitted to permanently repay and terminate commitments of any such Series on a better than a pro rata basis as compared to any other Series with a later maturity date than such Series); and (vi) the terms of the Extended Revolving Credit Commitments, as applicable, shall be substantially identical to the terms set forth herein (except as set forth in clauses (i) through (v) above and for terms applicable only after the Revolving Credit Maturity Date (in the case of Extended Revolving Credit Commitments)).

d. In connection with any Extension, the Borrower, the Administrative Agent and each applicable extending Lender shall execute and deliver or cause to be delivered to the Administrative Agent an Extension Amendment and such other documentation (including, without limitation, supplements or amendments to the Security Documents, customary legal opinions, officer's certificates and resolutions duly adopted by the board of directors (or equivalent governing body) of each Credit Party authorizing such Extension) as the Administrative Agent shall reasonably specify to evidence the Extension. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Extension. Any Extension Amendment may, without the consent of any other Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to implement the terms of any such Extension, including any amendments necessary to establish Extended Revolving Credit Commitments as a new Series of Revolving Credit Commitments, and such other amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower in connection with the establishment of such new Series (including to preserve the pro rata treatment of the extended and non-extended Series and to provide for the reallocation of Revolving Credit Exposure upon the expiration or termination of the commitments under any Class or tranche), in each case on terms consistent with this section.

SECTION 5.17 MIRE Event. Borrower shall provide prior written notice to each Lender participating in any increase, extension or renewal of this Agreement in the same timeframe as Borrower is required to provide such notice to the Administrative Agent pursuant to the terms of this Agreement. Upon the earlier of (x) the date which is thirty (30) days after

the date that Borrower provides such notice (as such time period may be extended by the Administrative Agent in its sole discretion) or (y) receipt of written confirmation by Borrower from each Lender participating in such increase, extension or renewal of this Agreement that such Lender has completed any necessary flood insurance due diligence to its reasonable satisfaction, such increase, extension or renewal of this Agreement may become effective.

ARTICLE VI

CONDITIONS OF CLOSING AND BORROWING

SECTION 6.1 Conditions to Closing. The obligation of the Lenders (and the Issuing Lenders) to close this Agreement is subject to the satisfaction or waiver pursuant to Section 12.2 hereof of each of the following conditions:

(a) Executed Loan Documents. This Agreement, a Revolving Credit Note in favor of each Revolving Credit Lender requesting a Revolving Credit Note, a Swingline Note in favor of the Swingline Lender (if requested thereby), the Security Documents and the Guaranty Agreement, together with any other applicable Loan Documents, shall have been duly authorized, executed and delivered to the Administrative Agent by the parties thereto.

(b) Closing Certificates; Etc. The Administrative Agent shall have received each of the following in form and substance reasonably satisfactory to the Administrative Agent:

(i) Officer's Certificate. A certificate from a Responsible Officer of the Borrower certifying to the effect that:

(A) The representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects on the Closing Date (unless such representations and warranties relate to an earlier date, in which case, such representations and warranties shall be true and correct in all material respects (or if qualified by materiality or Material Adverse Effect, in all respects) as of such earlier date;

(B) each of the Credit Parties, as applicable, has satisfied each of the conditions set forth in Section 6.1 (subject to the penultimate paragraph of Section 6.1) hereof.

(ii) Certificate of Secretary of each Credit Party. A certificate of a Responsible Officer of each Credit Party certifying as to the incumbency and genuineness of the signature of each officer of such Credit Party executing Loan Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of: (A) the articles or certificate of incorporation or formation (or equivalent), as applicable, of such Credit Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable; (B) the bylaws or other governing document of such Credit Party as in effect on the Closing Date; (C) resolutions duly adopted by the board of directors (or other governing body) of such Credit Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party; and (D) each certificate required to be delivered pursuant to Section 6.1(b)(iii).

(iii) Certificates of Good Standing. Certificates as of a recent date of the good standing of each Credit Party under the laws of its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, and, to the extent available.

(iv) Opinions of Counsel. Customary and reasonably satisfactory opinions of counsel to the Credit Parties (including opinions of local counsel to the Credit Parties as may be reasonably requested by the Administrative Agent) addressed to the Administrative Agent and the Lenders with respect to the Credit Parties, the Loan Documents, and such other matters as the Administrative Agent shall reasonably request (which such opinions shall expressly permit reliance by permitted successors and assigns of the Administrative Agent and the Lenders).

(c) Security Interest.

(i) Filings and Recordings. The Administrative Agent shall have received all filings and recordations that are necessary to perfect the security interests of the Administrative Agent, on behalf of the Secured Parties, in the Collateral and the Administrative Agent shall have received evidence reasonably satisfactory to the Administrative Agent that upon such filings and recordations such security interests constitute valid and perfected first priority Liens thereon (subject to Permitted Liens).

(ii) Pledged Collateral. The Administrative Agent shall have received: (A) original stock certificates or other certificates evidencing the certificated Equity Interests pledged pursuant to the Security Documents, together with an undated stock power for each such certificate duly executed in blank by the registered owner thereof; and (B) each original promissory note pledged pursuant to the Security Documents together with an undated allonge for each such promissory note duly executed in blank by the holder thereof.

(iii) Lien Search. The Administrative Agent shall have received the results of a Lien search (including a search as to judgments, pending litigation, bankruptcy, tax and intellectual property matters), made against the Credit Parties under the Uniform Commercial Code (or applicable judicial docket) as in effect in each jurisdiction in which filings or recordations under the Uniform Commercial Code should be made to evidence or perfect security interests in all assets of such Credit Party, indicating among other things that the assets of each such Credit Party are free and clear of any Lien (except for Permitted Liens and Liens to be released on the Closing Date).

(iv) Property and Liability Insurance. The Administrative Agent shall have received, in each case in form and substance reasonably satisfactory to the Administrative Agent, evidence of property, business interruption and liability insurance covering each Credit Party (with appropriate endorsements naming the Administrative Agent as lender's loss payee (and mortgagee, as applicable) on all policies for property hazard insurance and as additional insured on all policies for liability insurance), and if requested by the Administrative Agent, copies of such insurance policies.

(v) Perfection Certificate. The Administrative Agent shall have received a Perfection Certificate with respect to the Credit Parties dated the Closing Date and duly executed by a Responsible Officer of each Credit Party.

(vi) Other Collateral Documentation. The Administrative Agent shall have received any documents required by the terms of the Security Documents to evidence its security interest in the Collateral (including, without limitation, any Control Agreements and filings evidencing a security interest in any intellectual property included in the Collateral).

(d) Financial Matters.

(i) Financial Statements. The Administrative Agent shall have received: (A) the audited Consolidated balance sheet of the Borrower and its Subsidiaries and the related audited Consolidated statements of income, shareholder's equity, and cash flows, for the three (3) most recently completed Fiscal Years ending at least ninety (90) days prior to the Closing Date; and (B) the unaudited consolidated balance sheet of the Borrower and its Subsidiaries and related unaudited Consolidated statements of income and cash flows for each interim fiscal quarter (other than the fourth fiscal quarter) ended since the date of the last audited Consolidated balance sheets and related statements of income, shareholder's equity, and cash flows, but prior to the date that is forty-five (45) days prior to the Closing Date.

(ii) Solvency Certificate. The Borrower shall have delivered to the Administrative Agent a certificate, in substantially the form attached hereto as Exhibit I and certified as accurate by the chief financial officer of the Borrower (or by another officer with equivalent duties), stating that, after giving pro forma effect to the Transactions, the Borrower and its Subsidiaries (on a consolidated basis) are Solvent.

(iii) Payment at Closing. The Borrower shall have paid or made arrangements to pay contemporaneously with closing: (A) to the Administrative Agent, the Arranger and the Lenders, the fees set forth or referenced in Section 5.3 and any other accrued and unpaid fees or commissions due hereunder; and (B) all reasonable and documented fees and expenses of counsel to the Administrative Agent and the Arranger (directly to such counsel if requested by the Administrative Agent or the Arranger) to the extent the

Borrower has received an invoice for such fees and expenses at least three (3) Business Days prior to the Closing Date.

(e) Other.

(i) Notice of Account Designation. The Administrative Agent shall have received a Notice of Account Designation specifying the account or accounts to which the proceeds of the initial Extension of Credit are to be disbursed.

(ii) Existing Indebtedness. All existing Indebtedness of the Borrower and its Subsidiaries (excluding any Indebtedness permitted pursuant to Section 9.1) shall be repaid in full, all commitments (if any) in respect thereof shall have been terminated and all guarantees therefor and security therefor shall be released, and the Administrative Agent shall have received pay-off letters in form and substance satisfactory to it evidencing such repayment, termination and release.

(iii) PATRIOT Act, etc. The Borrower and each of the Subsidiary Guarantors shall have provided to the Administrative Agent and the Lenders, at least five (5) Business Days prior to the Closing Date, all documentation and other information that has been reasonably requested by the Administrative Agent or the Arranger in writing at least ten (10) Business Days prior to the Closing Date, in order to comply with requirements of the PATRIOT Act and applicable "know your customer" and anti-money laundering rules and regulations.

(iv) Third-Party Consents. All necessary material governmental and third party consents and all equity holder and board of directors (or comparable entity management body) authorizations shall have been obtained and shall be in full force and effect.

(v) Absence of Material Adverse Effect. Since December 31, 2016, there shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(vi) Absence of Lawsuits. No action, suit, investigation or proceeding shall exist or be pending against the Borrower, or, to the knowledge of the Borrower, threatened in any court or before any arbitrator or governmental authority that could reasonably be expected to have a Material Adverse Effect.

(vii) Pfizer Note Payoff. All outstanding amounts under the Pfizer Note shall have been repaid in full, or shall be repaid in full substantially simultaneously with the Closing Date, using the Borrower's cash on balance sheet.

Notwithstanding the foregoing, all documents and instruments specified in Schedule 8.16 shall be delivered on the terms and within the timeframes specified in Schedule 8.16, as permitted under Section 8.16.

Without limiting the generality of the provisions of Section 11.4, for purposes of determining compliance with the conditions specified in this Section 6.1, the Administrative Agent and each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

SECTION 6.2 Conditions to All Extensions of Credit. The obligations of the Lenders to make or participate in any Extensions of Credit, convert or continue any Loan, and/or any Issuing Lender to issue, increase, renew or extend any Letter of Credit are subject to the satisfaction of the following conditions precedent on the relevant borrowing, continuation, conversion, issuance or extension date:

(a) Continuation of Representations and Warranties. The representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects, on and as of such borrowing, continuation, conversion, issuance, increase or extension date with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of

such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects as of such earlier date).

(b) No Existing Default. Subject to Section 1.11, in the case of a Limited Condition Acquisition, and Section 5.13(a)(i)(A), in the case of Incremental Revolving Credit Commitments as set forth in the proviso thereto, no Default or Event of Default shall have occurred and be continuing: (i) on the borrowing, continuation, or conversion date with respect to such Loan or immediately after giving effect to the Loans to be made, continued or converted on such date; or (ii) on the issuance or extension date with respect to such Letter of Credit or immediately after giving effect to the issuance or extension of such Letter of Credit on such date.

(c) Notices. The Administrative Agent shall have received a Notice of Borrowing, Letter of Credit Application, or Notice of Conversion/Continuation, as applicable, from the Borrower in accordance with Section 2.3(a), Section 3.2, or Section 5.2, as applicable.

(d) New Swingline Loans/Letters of Credit. Subject to Section 1.11, so long as any Lender is a Defaulting Lender: (i) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan; and (ii) the Issuing Lender shall not 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.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES OF THE CREDIT PARTIES

To induce the Administrative Agent and Lenders to enter into this Agreement and to induce the Lenders to make Extensions of Credit, the Credit Parties hereby represent and warrant to the Administrative Agent and the Lenders both immediately before and immediately after giving effect to the transactions contemplated hereunder, which representations and warranties shall be deemed made on the Closing Date and as otherwise set forth in Section 6.2, that:

SECTION 7.1 Organization; Power; Qualification. Each Credit Party and each Subsidiary thereof: (a) is duly organized, validly existing and in good standing (to the extent the concept is applicable in such jurisdiction) under the laws of the jurisdiction of its incorporation or formation; (b) has the power and authority to own its Properties and to carry on its business as now being and hereafter proposed to be conducted; and (c) is duly qualified and authorized to do business in each jurisdiction in which the character of its Properties or the nature of its business requires such qualification and authorization except in jurisdictions where the failure to be so qualified or in good standing could not reasonably be expected to result in a Material Adverse Effect. The jurisdictions in which each Credit Party and each Subsidiary directly owned by such Credit Party are organized and, with respect to each Domestic Subsidiary directly owned by such Credit Party, qualified to do business as of the Closing Date are described on Schedule 7.1. No Credit Party is an EEA Financial Institution.

SECTION 7.2 Ownership. Each Subsidiary directly owned by a Credit Party as of the Closing Date is listed on Schedule 7.2, including its designation as an Excluded Subsidiary, if applicable. As of the Closing Date, the capitalization of each Credit Party and the Subsidiaries directly owned by such Credit Party consists of the number of shares, authorized, issued and outstanding, of such classes and series, with or without par value, described on Schedule 7.2. All outstanding shares have been duly authorized and validly issued and are fully paid and nonassessable and not subject to any preemptive or similar rights, except as described in Schedule 7.2. The shareholders or other owners, as applicable, of each Credit Party (other than the Borrower) and the Subsidiaries directly owned by such Credit Party and the number of shares owned by each as of the Closing Date are described on Schedule 7.2. As of the Closing Date, there are no outstanding stock purchase warrants, subscriptions, options, securities, instruments or other rights of any type or nature whatsoever, which are convertible into, exchangeable for or otherwise provide for or require the issuance of Equity Interests of any Credit Party (other than the Borrower) or any Subsidiary directly owned by such Credit Party, except as described on Schedule 7.2.

SECTION 7.3 Authorization; Enforceability. Each Credit Party and each Subsidiary thereof has the right, power and authority and has taken all necessary corporate and other action to authorize the execution, delivery and performance of this Agreement and each of the other Loan Documents to which it is a party in accordance with their respective terms. This Agreement and each of the other Loan Documents have been duly executed and delivered by the duly authorized officers of each Credit Party and each Subsidiary thereof that is a party thereto, and each such document constitutes the legal, valid and binding obligation of each Credit Party and each Subsidiary thereof that is a party thereto, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal Debtor Relief Laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies.

SECTION 7.4 Compliance of Agreement, Loan Documents and Borrowing with Laws, Etc. The execution, delivery and performance by each Credit Party and each Subsidiary thereof of the Loan Documents to which each such Person is a party in accordance with their respective terms, the Extensions of Credit hereunder, and the transactions contemplated hereby or thereby, do not and will not, by the passage of time, the giving of notice or otherwise: (a) require any Governmental Approval or violate any Applicable Law relating to any Credit Party or any Subsidiary thereof where the failure to obtain such Governmental Approval or such violation could reasonably be expected to have a Material Adverse Effect; (b) conflict with, result in a breach of or constitute a default under the articles of incorporation, bylaws or other organizational documents of any Credit Party or any Subsidiary thereof; (c) conflict with, result in a breach of or constitute a default under any indenture, agreement or other instrument to which such Person is a party or by which any of its properties may be bound or any Governmental Approval relating to such Person, which could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (d) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by such Person other than Permitted Liens; or (e) require any consent or authorization of, filing with, or other act in respect of, an arbitrator or Governmental Authority and no consent of any other Person is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement other than: (i) consents, authorizations, filings or other acts or consents for which the failure to obtain or make could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (ii) consents or filings under the UCC; (iii) filings with the United States Copyright Office and/or the United States Patent and Trademark Office; and (iv) Mortgage filings with the applicable county recording office or register of deeds.

SECTION 7.5 Compliance with Law; Governmental Approvals. Each Credit Party and each Subsidiary thereof: (a) has all Governmental Approvals required by any Applicable Law for it to conduct its business as currently being conducted, each of which is in full force and effect, is final and not subject to review on appeal and is not the subject of any pending or, to its knowledge, threatened attack by direct or collateral proceeding; (b) is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws relating to it or any of its respective properties; and (c) has timely filed all material reports, documents and other materials required to be filed by it under all Applicable Laws with any Governmental Authority and has retained all material records and documents required to be retained by it under Applicable Law except in each case of clause (a), (b) or (c) where the failure to have, comply or file could not reasonably be expected to have a Material Adverse Effect.

SECTION 7.6 Tax Returns and Payments. Each Credit Party and each Subsidiary thereof has duly filed or caused to be filed all income and other federal, state, local and other Tax returns required by Applicable Law to be filed, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect, and has paid, or made adequate provision for the payment of, all income and other federal, state, local and other taxes, assessments and governmental charges or levies upon it and its property, income, profits and assets which are due and payable (other than any amount the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the relevant Credit Party and except, in each case, to the extent that failure do so could not reasonably be expected to have a Material Adverse Effect). Such returns accurately reflect in all material respects all liability for taxes of any Credit Party or any Subsidiary thereof for the periods covered thereby. As of the Closing Date, except as set forth on Schedule 7.6, there is no ongoing audit or examination or, to its knowledge, other investigation by any Governmental Authority of the tax liability of any Credit Party or any Subsidiary thereof. No Governmental Authority has asserted any Lien or other claim against any Credit Party or any Subsidiary thereof with respect to unpaid taxes which has not been discharged or resolved (other than (a) any amount the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the relevant Credit Party and (b) Permitted Liens). The charges, accruals and reserves on the books of each Credit Party and each Subsidiary thereof in respect of federal, state, local and other taxes for all Fiscal Years and portions thereof since the organization of any Credit Party or any Subsidiary thereof are in the judgment of the Borrower adequate, and the Borrower does not anticipate any additional material taxes or assessments for any of such years.

SECTION 7.7 Intellectual Property Matters. Each Credit Party and each Subsidiary thereof owns, licenses, or otherwise possesses rights to use all material franchises, licenses, copyrights, copyright applications, patents, patent rights or licenses, patent applications, trademarks, trademark rights, service mark, service mark rights, trade names, trade name rights and other intellectual property rights with respect to the foregoing which are reasonably necessary to conduct its business as currently conducted. No event has occurred which permits, or after notice or lapse of time or both would permit, the revocation or termination of any such material rights, and no Credit Party nor any Subsidiary thereof is liable to any Person for infringement under Applicable Law with respect to any such rights as a result of its business operations, except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 7.8 Health Care Regulatory Matters.

a. The products of each Credit Party and each of its Subsidiaries that are subject to the regulations of the FDA (or similar Applicable Laws of other Governmental Authorities in any domestic or foreign jurisdiction) are in compliance with all applicable requirements of the FDA (and of all corresponding state, local and foreign Applicable Laws of other Governmental Authorities), except where the failure to comply, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. No Credit Party nor any of its Subsidiaries has received any written notice from the FDA (or from any other applicable Governmental Authority) alleging any material violation by a Credit Party or any of its Subsidiaries of any Applicable Law with respect to any product of any Credit Party or any of its Subsidiaries.

b. To the extent applicable to any Credit Party or any of its Subsidiaries and for so long as: (i) any Credit Party or any of its Subsidiaries is a "covered entity" as defined in 45 C.F.R. § 160.103; (ii) any Credit Party or any of its Subsidiaries is a "business associate" as defined in 45 C.F.R. § 160.103; (iii) any Credit Party is subject to or covered by the HIPAA Administrative Requirements codified at 45 C.F.R. Parts 160 & 162 and/or the HIPAA Security and Privacy Requirements codified at 45 C.F.R. Parts 160 & 164; and/or (iv) any Credit Party or any of its Subsidiaries sponsors any "group health plans" as defined in 45 C.F.R. § 160.103, such Credit Party or such Subsidiary is in compliance with the applicable privacy, security, transaction standards, breach notification, and other provisions and requirements of HIPAA and any comparable state laws, except where the failure to so comply, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) no breach or potential breach has occurred with respect to any unsecured protected health information, as such term is defined in 45 C.F.R. § 160.103, maintained by or for Credit Party or any of its Subsidiaries, and (ii) no information security or privacy breach event has occurred that would require notification under any comparable state laws.

SECTION 7.9 Environmental Matters. Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there has been no Release or threat of Release of Hazardous Materials at any location, including sites currently and formerly owned or operated by the Borrower or any Subsidiary, that could result in liability of the Borrower or any Subsidiary. Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, neither Borrower nor any of its Subsidiaries has assumed, by contract or operation of law, any material liability of any third party arising under any applicable Environmental Laws. The Borrower and each Subsidiary and such properties and all operations conducted in connection therewith are in compliance, and have been in compliance, in all material respects with all applicable Environmental Laws, including, without limitation, any permits issued or required thereunder. Borrower and its Subsidiaries currently hold, and at all relevant times have held, all material permits required under applicable Environmental Laws, and all such material permits are valid and in full force and effect, and not subject to any pending or, to the knowledge of Borrower, threatened proceedings that could reasonably be expected lead to any suspension, modification, termination or revocation of any such permits. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower, threatened in writing (nor has Borrower or any of its Subsidiaries received any written notice thereof), at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any of its Subsidiaries or against, or otherwise arising out of, any of their respective properties, business or revenues that allege any material liability under, or violation of, any applicable Environmental Laws. There are no facts, circumstances, conditions or occurrences which would reasonably be expected to result in material liability of the Borrower or any Subsidiary under Environmental Laws.

SECTION 7.10 Employee Benefit Matters.

a. Except where the failure of any of the following representations to be correct could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, each Credit Party and each ERISA Affiliate is in compliance with all applicable provisions of ERISA, the Code and the regulations and published interpretations thereunder with respect to all Employee Benefit Plans except for any required amendments for which the remedial amendment period as defined in Section 401(b) of the Code has not yet expired and each Employee Benefit Plan that it is intended to be qualified under Section 401(a) of the Code has been determined by the IRS to be so qualified (or is considered to be so qualified due to permitted reliance on an opinion letter from the IRS), and each trust related to such plan has been determined to be exempt under Section 501(a) of the Code except for such plans and trusts that have submitted an application for but not yet received determination letters or for which the remedial amendment period for submitting an application for a determination letter has not yet expired. No liability has been incurred by any Credit Party or any ERISA Affiliate which remains unsatisfied for any taxes or penalties assessed with respect to any Employee Benefit Plan or any Multiemployer Plan except for a liability that could not reasonably be expected to have a Material Adverse Effect;

b. Except where the failure of any of the following representations to be correct could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no Pension Plan has been terminated with respect

to which there is any unsatisfied liability, nor has any Pension Plan become subject to funding based benefit restrictions under Section 436 of the Code, nor has any funding waiver from the IRS been received or requested with respect to any Pension Plan, nor has any Credit Party or any ERISA Affiliate failed to make any contributions or to pay any amounts due and owing as required by Sections 412 or 430 of the Code, Section 302 of ERISA or the terms of any Pension Plan on or prior to the due dates of such contributions under Sections 412 or 430 of the Code or Section 302 of ERISA, nor has there been any event requiring any disclosure under Section 4041(c)(3)(C) or 4063(a) of ERISA with respect to any Pension Plan;

c. Except where the failure of any of the following representations to be correct could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no Credit Party nor any ERISA Affiliate has: (i) engaged in a nonexempt prohibited transaction described in Section 406 of the ERISA or Section 4975 of the Code; (ii) incurred any liability to the PBGC which remains outstanding other than the payment of premiums and there are no premium payments which are due and unpaid; (iii) failed to make a required contribution or payment to a Multiemployer Plan; or (iv) failed to make a required installment or other required payment under Sections 412 or 430 of the Code;

d. No Termination Event has occurred or is reasonably expected to occur;

e. Except where the failure of any of the following representations to be correct could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, no proceeding, claim (other than a benefits claim in the ordinary course of business), lawsuit and/or investigation is existing or, to its knowledge, threatened concerning or involving: (i) any employee welfare benefit plan (as defined in Section 3(1) of ERISA) currently maintained or contributed to by any Credit Party or any ERISA Affiliate; or (ii) any Pension Plan.

SECTION 7.11 Use of Proceeds; Margin Stock. The proceeds of the Loans and Letters of Credit are intended to be and shall be used solely for the purposes set forth in and permitted by Section 8.15. No Credit Party nor any Subsidiary thereof is engaged principally or as one of its activities in the business of extending credit for the purpose of "purchasing" or "carrying" any "margin stock" (as each such term is defined or used, directly or indirectly, in Regulation U of the Board of Governors of the Federal Reserve System). No part of the proceeds of any of the Loans or Letters of Credit will be used for purchasing or carrying margin stock or for any purpose which violates, or which would be inconsistent with, the provisions of Regulation T, U or X of such Board of Governors. Following the application of the proceeds of each Extension of Credit, not more than twenty-five percent (25%) of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) subject to the provisions of Section 9.2 or Section 9.5 will be "margin stock."

SECTION 7.12 Government Regulation. No Credit Party nor any Subsidiary thereof is an "investment company" or a company "controlled" by an "investment company" (as each such term is defined or used in the Investment Company Act) and no Credit Party nor any Subsidiary thereof is, or immediately after giving effect to any Extension of Credit will be, subject to regulation under any other Applicable Law which limits its ability to incur or consummate the transactions contemplated hereby.

SECTION 7.13 Material Contracts. Each such Material Contract is, and after giving effect to the consummation of the transactions contemplated by the Loan Documents will continue to be, in full force and effect in accordance with the terms thereof. To the extent requested by the Administrative Agent, each Credit Party and each Subsidiary thereof has delivered to the Administrative Agent a true and complete copy of each Material Contract; provided that any such Material Contract may be delivered electronically in accordance with the second paragraph of Section 8.2. As of the Closing Date, no Credit Party nor any Subsidiary thereof (nor, to its knowledge, any other party thereto) is in breach of or in default under any Material Contract except where such breach or default could not reasonably be expected to have a Material Adverse Effect.

SECTION 7.14 Employee Relations. As of the Closing Date, neither any Credit Party nor any Subsidiary thereof is party to any collective bargaining agreement, nor has any labor union been recognized as the representative of its employees except as set forth on Schedule 7.14. The Borrower knows of no pending, threatened or contemplated strikes, work stoppage or other collective labor disputes involving its employees or those of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

SECTION 7.15 Burdensome Provisions. The Credit Parties and their respective Subsidiaries do not presently anticipate that future expenditures needed to meet the provisions of any statutes, orders, rules or regulations of a Governmental Authority will be so burdensome as to have a Material Adverse Effect. No Subsidiary is party to any agreement or instrument or otherwise subject to any restriction or encumbrance that restricts or limits its ability to make dividend payments or other distributions in respect of its Equity Interests to the Borrower or any Subsidiary or to transfer any of its assets or properties to the Borrower or any other Subsidiary in each case other than existing under or by reason of the Loan Documents or Applicable Law or as permitted under Section 9.10.

SECTION 7.16 Financial Statements. The audited and unaudited financial statements delivered pursuant to Section 6.1(d)(i) and Sections 8.1(a) and (b), fairly present in all material respects on a Consolidated basis the assets, liabilities and financial position of the Borrower and its Subsidiaries, in each case as at such dates, and the results of the operations and changes of financial position for the periods then ended (other than customary year-end adjustments for unaudited financial statements and the absence of footnotes from unaudited financial statements). All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP. Such financial statements show all material indebtedness and other material liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including material liabilities for taxes, material commitments, and Indebtedness, in each case, to the extent required to be disclosed under GAAP.

SECTION 7.17 No Material Adverse Effect. After giving effect to the Transactions, there has been no material adverse change in the properties, business, operations, or financial condition of the Borrower and its Subsidiaries, taken as a whole, and no event has occurred or condition arisen, either individually or in the aggregate, that could reasonably be expected to have a Material Adverse Effect.

SECTION 7.18 Solvency. The Borrower and its Subsidiaries, on a Consolidated basis, are Solvent.

SECTION 7.19 Title to Properties. As of the Closing Date, the real property listed on Schedule 7.19 constitutes all of the real property located in the United States that is owned, leased or subleased by any Credit Party or any of the Subsidiaries directly owned by any such Credit Party. Each Credit Party and each such directly-owned Subsidiary thereof has good and marketable title to, or a valid leasehold interest in, the real property located in the United States owned or leased by it and valid and legal title to all of its personal property and assets, except (a) those which have been disposed of by the Credit Parties and their Subsidiaries subsequent to such date which dispositions have been in the ordinary course of business or as otherwise expressly permitted hereunder, (b) for such defects of title that could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (c) for Permitted Liens.

SECTION 7.20 Litigation. Except for matters existing on the Closing Date and set forth on Schedule 7.20, there are no actions, suits or proceedings pending nor, to its knowledge, threatened in writing against or in any other way relating adversely to or affecting any Credit Party or any Subsidiary thereof or any of their respective properties in any court or before any arbitrator of any kind or before or by any Governmental Authority that could reasonably be expected to have a Material Adverse Effect.

SECTION 7.21 Anti-Corruption Laws; Anti-Money Laundering Laws and Sanctions. None of: (a) the Borrower, any Subsidiary or, to the knowledge of the Borrower or such Subsidiary, any of their respective directors, officers, employees or Affiliates; or (b) to the knowledge of the Borrower, any agent or representative of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby: (A) is, or is owned or controlled by, a Sanctioned Person or currently the subject or target of any Sanctions; (B) has its assets located in a Sanctioned Country, (C) has taken any action, directly or indirectly, that would result in a violation by such Persons of the PATRIOT Act; (D) has taken any action, directly or indirectly, that would result in a violation by such Persons of any Anti-Corruption Laws or Sanctions or (E) has violated any Anti-Money Laundering Law. The Borrower has implemented and maintains in effect policies and procedures designed to promote and achieve compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions. No Loans or Letter of Credit, use of proceeds or other transaction contemplated by this Agreement will violate any Anti-Corruption Law, Anti- Money Laundering Law or applicable Sanctions.

SECTION 7.22 Absence of Defaults. No event has occurred or is continuing: (a) which constitutes a Default or an Event of Default; or (b) which constitutes a default or event of default by any Credit Party or any Subsidiary thereof under: (i) any Material Contract; or (ii) any judgment, decree or order to which any Credit Party or any Subsidiary thereof is a party or by which any Credit Party or any Subsidiary thereof or any of their respective properties may be bound or which would require any Credit Party or any Subsidiary thereof to make any payment thereunder prior to the scheduled maturity date therefor that, in any case under this clause (ii), could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 7.23 Disclosure. No financial statement, material report, material certificate or other written material information furnished by or on behalf of any Credit Party or any Subsidiary thereof to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other written information so furnished), taken together as a whole, contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances

under which they were made, not misleading (as modified or supplemented by other written information so furnished); provided that: (a) no representation is made with respect to projected financial information, estimated financial information and other projected or estimated information, except that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being recognized by the Lenders that projections are not to be viewed as facts and that the actual results during the period or periods covered by such projections, many of which are beyond the control of the Borrower and its Subsidiaries, may vary from such projections and that such difference may be material and that such projections are not a guarantee of financial performance); and (b) no representation is made with respect to information of a general economic or general industry nature.

SECTION 7.24 Security Documents.

a. The Collateral Agreement, upon execution and delivery thereof by the parties thereto, will create in favor of the Administrative Agent, for the benefit of the Secured Parties, a valid and enforceable security interest in the Collateral described therein, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal Debtor Relief Laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies and (i) when the Pledged Debt and Pledged Equity Interests (each as defined in the Collateral Agreement) are delivered to the Administrative Agent, the Lien created under the Collateral Agreement shall constitute a fully perfected first priority Lien on, and security interest in, all right, title and interest of the Credit Parties in such Pledged Debt and Pledged Equity Interests, in each case prior and superior in right to any other Person, (ii) when financing statements in appropriate form are filed in the offices specified on Schedule 7.24, the Liens created under the Collateral Agreement will constitute fully perfected Liens on, and security interests in, all right, title and interest of the Credit Parties in such Collateral (other than Intellectual Property Collateral as defined in the Collateral Agreement), in each case prior and superior in right to any other Person, other than with respect to Liens expressly permitted by Section 9.2 and (iii) when the control agreements are executed and delivered to the Administrative Agent in accordance with Section 4(b) of the Collateral Agreement, the Lien created under the Collateral Agreement shall constitute a fully perfected first priority Lien on, and security interest, all right, title and interest of the Credit Parties in each deposit account and securities account of the Credit Parties that is subject to a control agreement.

b. Upon the recordation of the Collateral Agreement (or a short-form security agreement in form and substance reasonably satisfactory to the Borrower and the Administrative Agent) with the United States Patent and Trademark Office and the United States Copyright Office, together with the financing statements in appropriate form filed in the offices specified on Schedule 7.24, the Liens created under the Collateral Agreement shall constitute fully perfected Liens on, and security interests in, all right, title and interest of the Credit Parties in the Intellectual Property Collateral in which a security interest may be perfected by filing in the United States and its territories and possessions, in each case prior and superior in right to any other Person (it being understood that (i) subsequent recordings in the United States Patent and Trademark Office and the United States Copyright Office may be necessary to perfect a Lien on registered trademarks and patents, trademark and patent applications and registered copyrights acquired by the Credit Parties after the date hereof and (ii) any "intent to use" trademark or service applications are excluded from the Collateral), other than with respect to Liens expressly permitted by Section 9.2.

c. Each Mortgage, upon execution and delivery thereof by the parties thereto, will create in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, a valid and enforceable security interest on all of the Credit Parties' right, title and interest in and to the Material Real Property subject thereto and the proceeds thereof, and when the Mortgages are filed in the offices specified on Schedule 7.24, the Mortgages shall at all times constitute a fully perfected Lien in all right, title and interest of the Credit Parties in such Material Real Property and the proceeds thereof, in each case prior and superior in right to any other Person, other than with respect to the rights of Persons pursuant to Liens expressly permitted by Section 9.2.

SECTION 7.25 Insurance Matters. The properties of the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Borrower or the applicable Subsidiary operates.

SECTION 7.26 Flood Hazard Insurance. With respect to each parcel of Mortgaged Property that is located within a special flood hazard area, the Administrative Agent has received: (a) such flood hazard certifications, executed notices and confirmations thereof, and effective flood hazard insurance policies with respect to such Mortgaged Property on such terms and in such amounts as required by the Flood Insurance Laws and as otherwise reasonably required by Administrative Agent; (b) all flood hazard insurance policies required hereunder have been obtained and remain in full force and effect, and the premiums thereon have been paid in full, and (c) except as the Borrower has previously given written notice thereof to the Administrative Agent, there has been no redesignation of any real property into or out of a special flood hazard area.

ARTICLE VIII

AFFIRMATIVE COVENANTS

Until the Discharge of the Obligations, each Credit Party will, and will cause each of its Subsidiaries to:

SECTION 8.1 Financial Statements and Budgets. Deliver to the Administrative Agent, in form and detail satisfactory to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as practicable and in any event within ninety (90) days (or, if earlier, on the date of any required public filing thereof) after the end of each Fiscal Year (commencing with the Fiscal Year ended December 31, 2017), an audited Consolidated balance sheet of the Borrower and its Subsidiaries as of the close of such Fiscal Year and audited Consolidated statements of income, shareholder's equity, and cash flows of the Borrower and its Subsidiaries, including the notes thereto, all in reasonable detail setting forth in comparative form the corresponding figures as of the end of and for the preceding Fiscal Year and, if applicable, containing disclosure of the effect on the financial position or results of operations of any material change in the application of accounting principles and practices during the year and certified by the chief financial officer of the Borrower as having been prepared in accordance with GAAP to present fairly in all material respects the financial condition of the Borrower and its Subsidiaries on a Consolidated basis as of their respective dates and the results of operations of the Borrower and its Subsidiaries for the respective periods then ended. Such annual financial statements shall be: (i) audited by Deloitte & Touche LLP or another independent certified public accounting firm of recognized national standing; and (ii) accompanied by a report and opinion thereon by such certified public accountants prepared in accordance with generally accepted auditing standards that is not subject to any "going concern" or similar qualification or any qualification as to the scope of such audit or with respect to accounting principles followed by the Borrower or any of its Subsidiaries not in accordance with GAAP (except for any such qualification pertaining to impending debt maturities of any Indebtedness occurring within 12 months of such audit).

(b) Quarterly Financial Statements. As soon as practicable and in any event within forty-five (45) days (or, if earlier, on the date of any required public filing thereof) after the end of the first three (3) fiscal quarters of each Fiscal Year (commencing with the fiscal quarter ended September 30, 2017), an unaudited Consolidated balance sheet of the Borrower as of the close of such fiscal quarter and unaudited Consolidated statements of income, shareholder's equity, and cash flows of the Borrower for the fiscal quarter then ended and that portion of the Fiscal Year then ended, including the notes thereto, all in reasonable detail setting forth in comparative form the corresponding figures as of the end of and for the corresponding period in the preceding Fiscal Year and, if applicable, containing disclosure of the effect on the financial position or results of operations of any material change in the application of accounting principles and practices during the period, and certified by the chief financial officer of the Borrower as having been prepared in accordance with GAAP and to present fairly in all material respects the financial condition of the Borrower on a Consolidated basis as of the respective dates and the results of operations of the Borrower for the respective periods then ended, subject to normal year-end adjustments and the absence of footnotes.

(c) Annual Business Plan and Budget. As soon as practicable and in any event within seventy-five (75) days after the end of each Fiscal Year, a business plan and operating and capital budget of the Borrower and its Subsidiaries for the ensuing Fiscal Year, such plan to be prepared in accordance with GAAP and to include the following: an operating and capital budget, a projected income statement and balance sheet, and projected calculations of the financial covenants set forth in Section 9.13, accompanied by a certificate from a Responsible Officer of the Borrower to the effect that such budget contains good faith estimates (utilizing assumptions believed to be reasonable at the time of preparation of such budget) of the financial condition and operations of the Borrower and its Subsidiaries for such period.

SECTION 8.2 Certificates; Other Reports. Deliver to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) at each time financial statements are delivered pursuant to Sections 8.1(a) or (b) and at such other times as the Administrative Agent shall reasonably request, a duly completed Officer's Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of the Borrower;

(b) promptly upon receipt thereof (unless restricted by applicable professional standards with respect to which mutually agreeable arrangements cannot be made to permit disclosure thereof), copies of all material reports, if any, submitted to any Credit Party, any Subsidiary thereof or any of their respective boards of directors by their respective independent public accountants in connection with their auditing function;

(c) promptly after the furnishing thereof, copies of any notice of default and any other material statement, report, or certificate furnished to any holder of Indebtedness of any Credit Party or any Subsidiary thereof in excess of the Threshold Amount pursuant to the terms of any indenture, loan or credit or similar agreement;

(d) promptly after an officer of any Credit Party obtaining knowledge of the assertion or occurrence thereof, notice of any action or proceeding against or of any noncompliance by any Credit Party or any Subsidiary thereof with any Environmental Law that could: (i) reasonably be expected to have a Material Adverse Effect; or (ii) cause any Property described in the Mortgages to be subject to any restrictions on ownership, occupancy, use or transferability under any Environmental Law;

(e) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Borrower, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(f) promptly, and in any event within five (5) Business Days after receipt thereof by any Credit Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Credit Party or any Subsidiary thereof (other than comment letters from the SEC, the contents of which are not materially adverse to the Lenders);

(g) promptly upon the request thereof, such other information and documentation required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations (including, without limitation, the PATRIOT Act), as from time to time reasonably requested by the Administrative Agent or any Lender;

(h) concurrently with the delivery of financial statements pursuant to Section 8.1(a), a completed Perfection Certificate Supplement, in substantially the form attached as Exhibit K or any other form approved by the Administrative Agent;

(i) at each time financial statements are delivered pursuant to Sections 8.1(a) or (b), a reasonably detailed presentation of management's discussion and analysis with respect to such financial statements, either (i) in a "Management's Discussion and Analysis of Financial Condition and Results of Operations" or (ii) in any other comparable section; and

(j) such other information regarding the operations, business affairs and financial condition of any Credit Party or any Subsidiary thereof as the Administrative Agent or any Lender may reasonably request.

Documents required to be delivered pursuant to Section 7.13, Sections 8.1(a) or (b), or Section 8.2(e), (f) or (i) (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 the Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the website address https://ir.icumed.com/; or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender that provides a written request to the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper, facsimile or electronic (i.e., "pdf" or "tif" format) copies of the Officer's Compliance Certificates required by Section 8.2 to the Administrative Agent. Except for such Officer's Compliance Certificates, the Administrative 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 the Borrower 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.

The Borrower hereby acknowledges that the Administrative Agent and/or the Arranger will make available to the Lenders and the Issuing Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on the Platform.

SECTION 8.3 Notice of Litigation and Other Matters. Promptly (but in no event later than ten (10) days after any Responsible Officer of any Credit Party obtains knowledge thereof) notify the Administrative Agent in writing of (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) the occurrence of any Default or Event of Default;

(b) the commencement of all proceedings and investigations by or before any Governmental Authority and all actions and proceedings in any court or before any arbitrator against or involving any Credit Party or any Subsidiary thereof or any of their respective properties, assets or businesses in each case that, if adversely determined, could reasonably be expected to have a Material Adverse Effect;

(c) any written notice of any violation received by any Credit Party or any Subsidiary thereof from any Governmental Authority including, without limitation, any written notice of violation of applicable Environmental Laws which in any such case could reasonably be expected to have a Material Adverse Effect;

(d) any written request for information received by any Credit Party or any Subsidiary from the United States Environmental Protection Agency or any other Governmental Authority charged with enforcement or administration of any Environmental Laws, in each case with respect to any matter that could reasonably be expected to have a Material Adverse Effect;

(e) any labor controversy that has resulted in, or threatens to result in, a strike or other work action against any Credit Party or any Subsidiary thereof;

(f) any attachment, judgment, lien, levy or order exceeding the Threshold Amount that is assessed against any Credit Party or any Subsidiary thereof;

(g) any event which constitutes, or which with the passage of time or giving of notice or both would constitute, a default or event of default under any Material Contract to which the Borrower or any of its Subsidiaries is a party or by which the Borrower or any Subsidiary thereof or any of their respective properties may be bound which could reasonably be expected to have a Material Adverse Effect; and

(h) (i) any unfavorable determination letter from the IRS regarding the qualification of an Employee Benefit Plan under Section 401(a) of the Code (along with a copy thereof), (ii) all notices received by any Credit Party or any ERISA Affiliate of the PBGC's intent to terminate any Pension Plan or to have a trustee appointed to administer any Pension Plan, (iii) all notices received by any Credit Party or any ERISA Affiliate from a Multiemployer Plan sponsor concerning the imposition or amount of withdrawal liability pursuant to Section 4202 of ERISA, (iv) the Borrower obtaining knowledge or reason to know that any Credit Party or any ERISA Affiliate has filed or intends to file a notice of intent to terminate any Pension Plan under a distress termination within the meaning of Section 4041(c) of ERISA and (v) the occurrence of any other event constituting a Termination Event.

Each notice pursuant to Section 8.3 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken or proposes to take with respect thereto. Each notice pursuant to Section 8.3(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

SECTION 8.4 Preservation of Corporate Existence and Related Matters. Except as permitted by Section 9.4, preserve and maintain its separate corporate existence or equivalent form and all rights, franchises, licenses and privileges necessary to the conduct of its business, and qualify and remain qualified as a foreign corporation or other entity and authorized to do business in each jurisdiction where the nature and scope of its activities require it to so qualify under Applicable Law in which the failure to so qualify could reasonably be expected to have a Material Adverse Effect.

SECTION 8.5 Maintenance of Property and Licenses.

a. In addition to the requirements of any of the Security Documents, protect and preserve all Properties necessary in and material to its business, including copyrights, patents, trade names, service marks and trademarks; maintain in good working order and condition, ordinary wear and tear excepted, all buildings, equipment and other tangible real and personal property; and from time to time make or cause to be made all repairs, renewals and replacements thereof and additions to such Property necessary for the conduct of its business, so that the business carried on in connection therewith may be conducted in a commercially reasonable manner, in each case except as such action or inaction would not reasonably be expected to have a Material Adverse Effect.

b. Maintain, in full force and effect in all material respects, each and every material license, consent, permit, certification, qualification, approval or franchise issued by any Governmental Authority (each a "License") required for each of them to conduct their respective businesses as presently conducted, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

SECTION 8.6 Insurance. Maintain insurance with financially sound and reputable insurance companies against at least such risks and in at least such amounts as are customarily maintained by similar businesses and as may be required by Applicable Law (including, without limitation, hazard and business interruption insurance). All such insurance shall: (a) in the case of any such insurance procured in the United States, (x) to the extent agreed to by such insurance company after the Borrower's use of commercially reasonable efforts, provide for not less than thirty (30) days' prior written notice to the Administrative Agent of termination, lapse or cancellation of such insurance and (y) in any event, provide for not less than ten (10) days' prior written notice to the Administrative Agent of termination, lapse or cancellation of such insurance due to failure to pay premiums; (b) in the case of liability insurance, name the Administrative Agent as an additional insured party thereunder (provided that in the case of any liability insurance policy procured outside of the United States, such policy shall not be required to so name the Administrative Agent as an additional insured party if the Borrower or the applicable Subsidiary has been unable to obtain such endorsement from the applicable insurer after the use of commercially reasonable efforts); and (c) in the case of each casualty insurance policy of the Credit Parties, name the Administrative Agent as lender's loss payee or mortgagee, as applicable. On the Closing Date and from time to time thereafter deliver to the Administrative Agent upon its request information in reasonable detail as to the insurance then in effect, stating the names of the insurance companies, the amounts and rates of the insurance, the dates of the expiration thereof and the properties and risks covered thereby. Without limiting the foregoing, the Borrower shall and shall cause each appropriate Credit Party to: (i) maintain, if available, fully paid flood hazard insurance on all Mortgaged Property that is located in a special flood hazard area, on such terms and in such amounts as required by the Flood Insurance Laws and as otherwise required by the Administrative Agent, and deliver to the Administrative Agent evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent; (ii) furnish to the Administrative Agent evidence of renewal (and payment of renewal premiums therefor) of all such policies prior to the expiration or lapse thereof; and (iii) furnish to the Administrative Agent prompt written notice of any redesignation of any such improved real property into or out of a special flood hazard area.

SECTION 8.7 Accounting Methods and Financial Records. Maintain a system of accounting, and keep proper books, records and accounts (which shall be true and complete in all material respects) as may be required or as may be necessary to permit the preparation of financial statements in accordance with GAAP and in compliance in all material respects with the regulations of any Governmental Authority having jurisdiction over it or any of its Properties.

SECTION 8.8 Payment of Taxes and Other Obligations. Pay and perform: (a) all Taxes, assessments, and other governmental charges that may be levied or assessed upon it or any of its Property, other than any amount the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the Borrower or any of its Subsidiaries, in each case under this clause (a), except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (b) all other Indebtedness, obligations and liabilities in accordance with customary trade practices that if not so paid could reasonably be expected to have a Material Adverse Effect.

SECTION 8.9 Compliance with Laws and Approvals. Observe and remain in compliance with all Applicable Laws (including without limitation, the PATRIOT Act, Anti-Money Laundering Laws, HIPAA and laws applicable to the products of each Credit Party and its Subsidiaries at the FDA and other Governmental Authorities) and maintain in full force and effect all Governmental Approvals, in each case applicable to the conduct of its business except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 8.10 Environmental Laws. In addition to and without limiting the generality of Section 8.9, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect: (a) comply with, all applicable Environmental Laws, and obtain and comply with and maintain, and use commercially reasonable efforts to ensure that all tenants and subtenants, if any, obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws; and (b) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws, and promptly comply with all lawful orders and directives of any Governmental Authority regarding applicable Environmental Laws. In addition, each Credit Party shall defend, indemnify and hold harmless the Administrative Agent and the Lenders, and their respective parents, Subsidiaries, Affiliates, employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the presence of Hazardous Materials, or the violation of, noncompliance with or liability under any applicable Environmental Laws applicable to the operations of the Borrower or any such Subsidiary, or any orders,

requirements or demands of Governmental Authorities related thereto, including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing directly result from the gross negligence or willful misconduct of the party seeking indemnification therefor, as determined by a court of competent jurisdiction by final nonappealable judgment.

SECTION 8.11 Compliance with ERISA. In addition to and without limiting the generality of Section 8.9:

(a) except where the failure to so comply could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) comply with applicable provisions of ERISA, the Code and the regulations and published interpretations thereunder with respect to all Employee Benefit Plans; (ii) not take any action or fail to take action the result of which could reasonably be expected to result in a liability to the PBGC or to a Multiemployer Plan; (iii) not participate in any nonexempt prohibited transaction that could result in any civil penalty under ERISA or tax under the Code; and (iv) operate each Employee Benefit Plan in such a manner that will not incur any tax liability under Section 4980B and Section 4980D of the Code or any liability to any qualified beneficiary as defined in Section 4980B of the Code; and (b) furnish to the Administrative Agent upon the Administrative Agent's request such additional information about any Employee Benefit Plan as may be reasonably requested by the Administrative Agent to the extent permitted by Applicable Law.

SECTION 8.12 Compliance with Material Contracts. Comply in all respects with each Material Contract except where failure to do so could not reasonably be expected to have a Material Adverse Effect; provided that the Borrower or any such Subsidiary may contest the terms and conditions of any such Material Contract in good faith through applicable proceedings so long as adequate reserves are maintained in accordance with GAAP.

SECTION 8.13 Visits and Inspections. Permit representatives of the Administrative Agent or any Lender, from time to time upon prior reasonable written notice and at such times during normal business hours, to visit and inspect its properties; inspect, audit and make extracts from its books, records and files, including, but not limited to, management letters prepared by independent accountants; and discuss with its principal officers, and its independent accountants, its business, assets, liabilities, financial condition, results of operations and business prospects; provided that excluding any such visits and inspections during the continuation of an Event of Default: (a) any such visits and inspections by any Lender (excluding any Lender that also acts as Administrative Agent) shall be at such Lender's expense and limited to one (1) inspection in any calendar year; and (b) the Administrative Agent shall not exercise such rights more often than one (1) time during any calendar year at the Borrower's expense; provided further that upon the occurrence and during the continuance of an Event of Default, the Administrative Agent or any Lender may do any of the foregoing at the expense of the Borrower at any time without advance notice. Upon the request of the Administrative Agent or the Required Lenders, participate in a meeting of the Administrative Agent and Lenders once during each Fiscal Year, which meeting will be held at the Borrower's corporate offices (or such other location as may be agreed to by the Borrower and the Administrative Agent) at such time as may be agreed by the Borrower and the Administrative Agent.

SECTION 8.14 Additional Subsidiaries, Real Property and Other Collateral.

a. Additional Subsidiary Guarantors. Promptly after the creation or acquisition of any Subsidiary (other than an Excluded Subsidiary) or after the date when a Subsidiary ceases to be an Excluded Subsidiary (and, in any event, within forty-five (45) days after such creation, acquisition, or cessation, as such time period may be extended by the Administrative Agent in its sole discretion), cause: (i) such Subsidiary to become a Subsidiary Guarantor by delivering to the Administrative Agent a duly executed supplement to the Guaranty Agreement or such other document as the Administrative Agent shall deem appropriate for such purpose; (ii) such person to grant a security interest in all property (subject to clause (b) and (c) below and the exceptions specified in the Collateral Agreement) owned by such Subsidiary by delivering to the Administrative Agent a duly executed supplement to each applicable Security Document or such other document as the Administrative Agent shall deem appropriate for such purpose and comply with the terms of each applicable Security Document; (iii) to be delivered to the Administrative Agent such opinions, documents, and certificates referred to in Section 6.1 as may be reasonably requested by the Administrative Agent; (iv) to be delivered to the Administrative Agent original certificated Equity Interests or other certificates and stock or other transfer powers evidencing the Equity Interests of such Person (to the extent such Equity Interests are certificated); (v) to be delivered to the Administrative Agent such updated Schedules to the Loan Documents and supplements to the Perfection Certificate as requested by the Administrative Agent with respect to such Person; and (vi) to be delivered to the Administrative Agent such other documents as may be reasonably requested by the Administrative Agent, all in form, content and scope reasonably satisfactory to the Administrative Agent.

b. Equity Interests of Domestic Subsidiaries, Foreign Subsidiaries, and Foreign Subsidiary Holding Companies. Cause: (i) 100% of the issued and outstanding Equity Interests of each Subsidiary (other than Subsidiaries that are Foreign Subsidiary Holding Companies or Foreign Subsidiaries that are CFCs); and (ii) 66% of the issued and outstanding Equity

Interests entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)), and 100% of the issued and outstanding Equity Interests not entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)), in each other Subsidiary, in each case, directly owned by any Credit Party, to be subject at all times to a first priority, perfected Lien in favor of the Administrative Agent pursuant to the terms and conditions of the Security Documents and shall deliver to the Administrative Agent such opinions of counsel (if requested by the Administrative Agent) and any filings and deliveries reasonably necessary in connection therewith to perfect the security interests therein to the extent required by the Security Documents and such other documents and certificates referred to in Section 6.1 and any other documents as may be reasonably requested by the Administrative Agent, all in form and substance reasonably satisfactory to the Administrative Agent (including, without limitation, a consent thereto executed by such Subsidiary; if applicable, original certificated Equity Interests (or the equivalent thereof pursuant to the Applicable Laws and practices of any relevant foreign jurisdiction), evidencing the Equity Interests of such Persons, together with an appropriate undated stock or other transfer power for each certificate duly executed in blank by the registered owner thereof; and updated Schedules to the Loan Documents and supplements to the Perfection Certificate as requested by the Administrative Agent with regard to such Person); provided that with respect to Foreign Subsidiaries, creation and perfection actions and documentation under any foreign Applicable Laws shall not be required to be taken with respect to each such Subsidiary.

c. Real Property Collateral. Until the Discharge of the Secured Obligations, each Credit Party will, and will cause each of its Subsidiaries to notify the Lenders in writing within fifteen (15) Business Days after the acquisition of any Material Real Property (as such time period may be extended by the Administrative Agent in its sole discretion). Upon the earlier of (x) the date which is thirty (30) days after the date of giving such notice or (y) receipt of written confirmation from each Lender that such Lender has completed any necessary flood insurance due diligence to its reasonable satisfaction, the relevant Credit Party shall, as soon as practicable thereafter, but in any event, within forty-five (45) days thereafter (as such time period may be extended by the Administrative Agent in its sole discretion) take such actions as shall be reasonably requested by the Administrative Agent in connection with granting and perfecting a Lien on such Material Real Property in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, including, as applicable, the actions referred to in clause (i) of Schedule 8.16, all in form and substance reasonably acceptable to the Administrative Agent.

d. Merger Subsidiaries. Notwithstanding the foregoing, to the extent any new Subsidiary is created solely for the purpose of consummating a merger transaction pursuant to a Permitted Acquisition, and such new Subsidiary at no time holds any assets or liabilities other than any merger consideration contributed to it contemporaneously with the closing of such merger transaction, such new Subsidiary shall not be required to take the actions set forth in Section 8.14(a) or (b), as applicable, until the consummation of such Permitted Acquisition (at which time, the surviving entity of the respective merger transaction shall be required to so comply with Section 8.14(a) or (b), as applicable, within ten (10) Business Days of the consummation of such Permitted Acquisition, as such time period may be extended by the Administrative Agent in its sole discretion).

e. Exclusions. The provisions of this Section 8.14 shall not apply to assets as to which the Administrative Agent and the Borrower shall reasonably determine that the costs and burdens of obtaining a security interest therein or perfection thereof outweigh the value of the security afforded thereby. Notwithstanding anything to the contrary in any Loan Document, (i) no action shall be required to perfect a security interest in letter of credit rights in addition to the filing of a UCC-1 financing statement so long as the maximum face amount of any such letter of credit is $5,000,000 or less individually, and of all such letters of credit is $20,000,000 or less in the aggregate, (ii) there shall be no requirement to obtain any leasehold mortgages or consents to assignments of claims under the Federal Assignment of Claims Act of 1940 (or any analogous state laws), (iii) there shall be no requirement to make any filings to perfect a security interest with respect to any patents, copyrights, and trademarks registered under the laws of any jurisdiction other than the United States or any state thereof, and (iv) the Credit Parties shall not be required to obtain landlord waivers or collateral access agreements.

SECTION 8.15 Use of Proceeds.

a. The Borrower shall use the proceeds of the Transactions for (i) the payment of fees, commissions and expenses in connection with each of the foregoing and the Revolving Credit Facility and (ii) working capital and other general corporate purposes of the Borrower and its Subsidiaries (including, without limitation, Permitted Acquisitions and equity buybacks).

b. The Borrower shall use the proceeds of any Incremental Revolving Credit Increase as permitted pursuant to Section 5.13.

c. The Borrower will not request any Extension of Credit, and the Borrower shall not use, and shall ensure that its Subsidiaries (including Unrestricted Subsidiaries) and its or their respective directors, officers, employees and agents shall

not use, the proceeds of any Extension of Credit, directly or indirectly, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 8.16 Post-Closing Matters. Notwithstanding anything to the contrary in this Agreement or in any other Loan Document, cause any and all actions set forth on Schedule 8.16 to be taken, and each document, certificate or other item set forth on such Schedule 8.16 to be delivered, in each case within the time period specified for such action or delivery on Schedule 8.16 (as such time period may be extended by the Administrative Agent in its sole discretion) and in form and substance satisfactory to the Administrative Agent.

SECTION 8.17 Further Assurances.

Execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents) other than as set forth in Section 8.14(e), which may be required under any Applicable Law, or which the Administrative Agent or the Required Lenders may reasonably request, to effectuate the transactions contemplated by the Loan Documents or to grant, preserve, protect or perfect the Liens created or intended to be created by the Security Documents or the validity or priority of any such Lien, all at the expense of the Credit Parties. The Borrower also agrees to provide to the Administrative Agent, from time to time upon the reasonable request by the Administrative Agent, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Liens created or intended to be created by the Security Documents.

SECTION 8.18 Compliance with Anti-Corruption Laws and Sanctions. Maintain in effect and implement policies and procedures reasonably designed to promote and achieve compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

SECTION 8.19 Designation of Subsidiaries. The Borrower may at any time designate any Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary by delivering to the Administrative Agent a certificate of an Responsible Officer of the Borrower specifying such designation and certifying that the conditions to such designation set forth in this Section 8.19 are satisfied; provided that:

(a) immediately after giving effect to any such designation, no Default or Event of Default shall have occurred and be continuing;

(b) in the case of the designation of a Subsidiary as an Unrestricted Subsidiary, (i) the Subsidiary to be so designated does not (directly, or indirectly through its Subsidiaries) own any Equity Interests or Indebtedness of, or own or hold any Lien on any property of, the Borrower or any of its Restricted Subsidiaries and (ii) neither the Borrower nor any of its Subsidiaries shall at any time be directly or indirectly liable for any Indebtedness that provides that the holder thereof may (with the passage of time or notice or both) declare a default thereon or cause the payment thereof to be accelerated or payable prior to its stated maturity upon the occurrence of a default with respect to any Indebtedness, Lien or other obligation of any Subsidiary (including any right to take enforcement action against such Subsidiary);

(c) immediately after giving effect to such designation, the Borrower shall be in compliance with the covenants in Section 9.13 on a Pro Forma Basis; and

(d) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it was previously designated an Unrestricted Subsidiary or if it is a Restricted Subsidiary for purposes of any subordinated indebtedness or Permitted Unsecured Indebtedness

The designation of any Subsidiary as an Unrestricted Subsidiary after the Closing Date shall constitute an Investment by the Borrower in such Subsidiary on the date of designation in an amount equal to the fair market value of the Borrower's Investment therein (as determined reasonably and in good faith by a Responsible Officer of the Borrower, and shall be subject to availability under Section 9.3). The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the incurrence at the time of designation of any Investment, Indebtedness or Liens of such Subsidiary existing at such time.

ARTICLE VIIII

NEGATIVE COVENANTS

Until the Discharge of the Obligations, the Credit Parties will not, and will not permit any of their respective Subsidiaries to:

SECTION 9.1 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness except:

(a) the Obligations;

(b) Indebtedness and obligations owing under: (i) Hedge Agreements entered into in order to manage existing or anticipated interest rate, exchange rate or commodity price risks and not for speculative purposes; and (ii) Cash Management Agreements;

(c) Indebtedness existing on the Closing Date and listed on Schedule 9.1, and the renewal, refinancing, extension and replacement (but not the increase in the aggregate principal amount) thereof;

(d) Capital Lease Obligations and Indebtedness incurred in connection with purchase money Indebtedness in an aggregate principal amount not to exceed $20,000,000 at any time outstanding;

(e) (A) Indebtedness of a Person existing at the time such Person became a Subsidiary or assets were acquired from such Person in connection with an Investment permitted pursuant to Section 9.3, to the extent that: (i) such Indebtedness was not incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or the acquisition of such assets; (ii) neither the Borrower nor any Subsidiary thereof (other than such Person or any other Person that such Person merges with or that acquires the assets of such Person) shall have any liability or other obligation with respect to such Indebtedness and (B) unsecured Indebtedness of the Borrower and Guarantees thereof by the Guarantors incurred in connection with any Permitted Acquisition, provided that, in the case of this clause (ii) immediately after giving effect to such Indebtedness and Permitted Acquisition, (i) no Default or Event of Default shall have occurred and be continuing and (ii) the Consolidated Total Leverage Ratio on a Pro Forma Basis would not be greater than 2.75 to 1.00;

(f) Guarantees by the Borrower or any Subsidiary in respect of Indebtedness of the Borrower or any Subsidiary otherwise permitted pursuant to this Section 9.1; provided that: (i) no Guarantee by any Subsidiary of any Indebtedness constituting Permitted Unsecured Indebtedness shall be permitted unless such Subsidiary shall have also provided a Guarantee of the Obligations substantially on the terms set forth in the Guaranty Agreement; (ii) 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 the Lenders as those contained in the subordination provisions of such Indebtedness; and (iii) in the case of any Guarantee by a Credit Party of any Indebtedness of a Non-Guarantor Subsidiary, solely to the extent that such Guarantee would be permitted as an Investment pursuant to Section 9.3;

(g) unsecured intercompany Indebtedness:

(i) owed by any Credit Party to another Credit Party;

(ii) owed by any Credit Party to any Non-Guarantor Subsidiary (provided that such Indebtedness shall be subordinated to the Obligations in a manner reasonably satisfactory to the Administrative Agent);

(iii) owed by any Non-Guarantor Subsidiary to any other Non-Guarantor Subsidiary; and

(iv) owed by any Non-Guarantor Subsidiary to any Credit Party to the extent permitted pursuant to Section 9.3(a)(vi);

(h) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or other similar instrument drawn against insufficient funds in the ordinary course of business;

(i) Indebtedness under performance bonds, surety bonds, release, appeal and similar bonds, statutory obligations or with respect to workers' compensation claims, in each case incurred in the ordinary course of business, and reimbursement obligations in respect of any of the foregoing;

(j) Permitted Unsecured Indebtedness;

(k) to the extent constituting Indebtedness, obligations in respect of purchase price adjustments, earn-outs, non-competition agreements, and other similar arrangements, or other deferred payments of a similar nature, representing Permitted Acquisition Consideration and incurred in connection with any Permitted Acquisition; provided that to the extent such purchase price adjustment or earn-out is subject to a contingency, such purchase price adjustment or earn-out shall be valued at the amount of reserves, if any, required under GAAP, and to the extent that the amount payable pursuant to such purchase price adjustment and earn-out is reflected, or would otherwise be required to be reflected, on a balance sheet prepared in accordance with GAAP, it shall be valued at such reflected amount;

(l) customer advances or deposits received in the ordinary course of business;

(m) Indebtedness constituting reimbursement obligations in respect of letters of credit, bank guarantees, and similar instruments issued for the account of the Borrower or any Subsidiary in the ordinary course of business supporting obligations of the type referred to in Section 9.2(e), Section 9.2(f) and Section 9.2(g); provided that upon the drawing of such letters of credit, presentment of such bank guarantees or similar instruments, or the incurrence of such Indebtedness, such obligations are reimbursed within thirty (30) days following such drawing, presentment, or incurrence;

(n) Indebtedness of any Foreign Subsidiary in an aggregate principal amount not to exceed $40,000,000, for all such Indebtedness incurred pursuant to this Section 9.1(n) at any time outstanding;

(o) Indebtedness representing the financing of insurance premiums owing in the ordinary course of business; and

(p) Indebtedness of any Credit Party or any Subsidiary thereof not otherwise permitted pursuant to this Section in an aggregate principal amount not to exceed $40,000,000, for all such Indebtedness incurred pursuant to this Section 9.1(p) at any time outstanding.

SECTION 9.2 Liens. Create, incur, assume or suffer to exist, any Lien on or with respect to any of its Property, whether now owned or hereafter acquired, except:

(a) Liens created pursuant to the Loan Documents (including, without limitation, Liens in favor of the Swingline Lender and/or the Issuing Lenders, as applicable, on Cash Collateral granted pursuant to the Loan Documents);

(b) Liens in existence on the Closing Date and described on Schedule 9.2, and the replacement, renewal or extension thereof (including Liens incurred, assumed or suffered to exist in connection with any refinancing, refunding, renewal or extension of Indebtedness pursuant to Section 9.1(c) (solely to the extent that such Liens were in existence on the Closing Date and described on Schedule 9.2)); provided that the scope of any such Lien shall not be increased, or otherwise expanded, to cover any additional property or type of asset, as applicable, beyond that in existence on the Closing Date, except for products and proceeds of the foregoing;

(c) Liens for taxes, levies, assessments and other governmental charges or levies (excluding any Lien imposed pursuant to any of the provisions of ERISA or Environmental Laws): (i) not yet due or as to which the period of grace (not to exceed thirty (30) days), if any, related thereto has not expired; or (ii) which are being contested in good faith and by appropriate proceedings if adequate reserves are maintained to the extent required by GAAP;

(d) statutory Liens such as claims or Liens of materialmen, mechanics, carriers, warehousemen, processors, suppliers, landlords and other similar Liens for labor, materials, supplies or rentals, and other similar amounts incurred in the ordinary course of business, which: (i) are not overdue for a period of more than thirty (30) days, or if more than thirty (30) days overdue, no action has been taken to enforce such Liens and such Liens are being contested in good faith and by appropriate proceedings if adequate reserves are maintained to the extent required by GAAP; and (ii) do not, individually or in the aggregate, materially impair the use thereof in the operation of the business of the Borrower or any of its Subsidiaries;

(e) (i) deposits or pledges made in the ordinary course of business in connection with, or to secure payment of, obligations under workers' compensation, unemployment insurance and other types of social security or similar legislation; and (ii) deposits or pledges in respect of letters of credit, bank guarantees, or similar instruments that have been posted in the ordinary course of business of the Borrower or any Subsidiary to support payment of the items set forth in clause (i) of this Section 9.2(e), in each case, so long as no foreclosure sale or similar proceeding has been commenced with respect to any portion of the Collateral on account thereof;

(f) (i) deposits or pledges made in the ordinary course of business to secure the performance of bids, trade and commercial contracts and leases and the payment of rent (other than Indebtedness), statutory obligations, surety bonds (other than bonds related to judgments or litigation), performance bonds and other obligations of a like nature incurred in the ordinary course of business; and (ii) deposits or pledges in respect of letters of credit, bank guarantees, or similar instruments that have been posted in the ordinary course of business of the Borrower or any Subsidiary to support payment of the items set forth in clause (i) of this Section 9.2(f), in each case, so long as no foreclosure sale or similar proceeding has been commenced with respect to any portion of the Collateral on account thereof; provided that the aggregate amount of the deposits and pledges made pursuant to this Section 9.2(f), shall not exceed $15,000,000 at any time outstanding;

(g) encumbrances (i) in the nature of zoning restrictions, easements, encroachments, and rights or restrictions of record or other similar encumbrances on the use of real property, which do not materially detract from the value of such property or materially impair the use thereof in the ordinary conduct of business of the applicable Person or which are insured over by title insurance and (ii) such as any zoning, building or similar laws or rights reserved to or vested in any Governmental Authority;

(h) Liens arising from the filing of precautionary UCC financing statements relating solely to personal property leased pursuant to operating leases entered into in the ordinary course of business of the Borrower and its Subsidiaries;

(i) Liens securing Indebtedness permitted under Section 9.1(d); provided that: (i) such Liens shall be created within one hundred eighty (180) days of the acquisition, repair, improvement or lease, as applicable, of the related Property; (ii) such Liens do not at any time encumber any property other than the Property or Properties financed by such Indebtedness; (iii) the amount of Indebtedness secured thereby is not increased (except in connection with the repair or improvement of the Property or Properties securing such Indebtedness); and (iv) the principal amount of Indebtedness secured by any such Lien shall at no time exceed one hundred percent (100%) of the original price for the purchase, repair improvement or lease amount (as applicable) of such Property or Properties at the time of purchase, repair, improvement or lease (as applicable);

(j) Liens securing judgments for the payment of money not constituting an Event of Default under Section 10.1(l) or securing appeal or other surety bonds relating to such judgments;

(k) Liens on Property: (i) of any Subsidiary which are in existence at the time that such Subsidiary is acquired pursuant to a Permitted Acquisition; and (ii) of the Borrower or any of its Subsidiaries existing at the time such tangible property or tangible assets are purchased or otherwise acquired by the Borrower or such Subsidiary thereof pursuant to a transaction permitted pursuant to this Agreement; provided that, with respect to each of the foregoing clauses (i) and (ii): (A) such Liens are not incurred in connection with, or in anticipation of, such Permitted Acquisition, purchase, or other acquisition; (B) such Liens are applicable only to specific Property; (C) such Liens are not "blanket" or all asset Liens; (D) such Liens do not attach to any other Property of the Borrower or any of its Subsidiaries; and (E) the Indebtedness secured by such Liens is permitted under Section 9.1(e) of this Agreement;

(l) (i) Liens of a collecting bank arising in the ordinary course of business under Section 4-210 of the Uniform Commercial Code in effect in the relevant jurisdiction; and (ii) Liens of any depositary bank in connection with statutory, common law, and contractual rights of set-off and recoupment with respect to any deposit account of the Borrower or any Subsidiary thereof;

(m) (i) contractual or statutory Liens of landlords to the extent relating to the property and assets relating to any lease agreements with such landlord; and (ii) contractual Liens of suppliers (including sellers of goods) or customers granted in the ordinary course of business to the extent limited to the property or assets relating to such contract;

(n) any interest or title of a licensor, sublicensor, lessor or sublessor with respect to any assets under any inbound license or lease agreement entered into by the Borrower or any Subsidiary in the ordinary course of business and not prohibited by this Agreement;

(o) any license, sublicense, lease, or sublease granted by the Borrower or any Subsidiary to third parties in the ordinary course of its business and in accordance with any applicable terms of the Security Documents which do not: (i) interfere in any material respect with the ordinary conduct of the business of the Borrower or its Subsidiaries or materially detract from the value of the relevant assets of the Borrower or its Subsidiaries; or (ii) secure any Indebtedness;

(p) to the extent constituting Liens, any option or other agreement to purchase any asset of the Borrower or any of its Subsidiaries, the disposition of which is expressly permitted under Section 9.5 or otherwise under this Agreement;

(q) reasonable customary initial deposits and margin deposits to the extent required by Applicable Law, which secure Indebtedness under Hedge Agreements permitted under Section 9.1(b); provided that any obligation secured by any deposit permitted under this Section 9.2(q) shall have been incurred in the ordinary course of business and not for speculative purposes;

(r) Liens on assets of Foreign Subsidiaries securing only Indebtedness of such Foreign Subsidiaries otherwise permitted under Section 9.1(n); provided that such Liens shall not extend to, or encumber, any assets that constitute Collateral or the Equity Interests of the Borrower or any of the Subsidiaries (other than Subsidiaries of the applicable Foreign Subsidiary that are Excluded Subsidiaries) or prohibit or otherwise restrict the creation or assumption of any Lien pursuant to this Agreement or any other Loan Documents;

(s) Liens solely on any cash earnest money deposits or escrow arrangements made by the Borrower or any Subsidiary in connection with any letter of intent or purchase or merger agreement for any Acquisition permitted under this Agreement;

(t) Liens in the nature of: (i) customary setoff rights in favor of any counterparty to any Hedge Agreements expressly permitted under this Agreement: (A) so long as such Hedge Agreements are not secured by any Property of the Borrower or any Subsidiary except as otherwise permitted by Section 9.2(q) or Section 9.2(y); or (B) to the extent such Hedge Agreement is a Secured Hedge Agreement; and (ii) setoff rights granted to third parties pursuant to trade and other similar contracts with the Borrower or any Subsidiary and limited to payments owed to the Borrower or any Subsidiary under such contracts that do not constitute Indebtedness, and such contracts are not secured by any Property of the Borrower or any Subsidiary;

(u) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto, so long as no foreclosure sale or similar proceeding has been commenced with respect to any portion of the Collateral on account thereof; and

(v) Liens not otherwise permitted hereunder on assets other than the Collateral securing Indebtedness or other obligations in the aggregate principal amount not to exceed $25,000,000, for all such Liens incurred pursuant to this Section 9.2(v) at any time outstanding

SECTION 9.3 Investments. Purchase, own, invest in or otherwise acquire (in one transaction or a series of transactions), directly or indirectly, any Equity Interests, interests in any partnership or joint venture (including, without limitation, the creation or capitalization of any Subsidiary), evidence of Indebtedness or other obligation or security, substantially all or a portion of the business or assets of any other Person or any other investment or interest whatsoever in any other Person, or make or permit to exist, directly or indirectly, any loans, advances or extensions of credit to, or any investment in cash or by delivery of Property in, any Person (all the foregoing, "Investments") except:

(a) (i) Investments existing on the Closing Date in Subsidiaries existing on the Closing Date;

(ii) Investments existing on the Closing Date (other than Investments in Subsidiaries existing on the Closing Date) and described on Schedule 9.3;

(iii) Investments made after the Closing Date by any Credit Party in any other Credit Party;

(iv) Investments made after the Closing Date by any Non-Guarantor Subsidiary in any other Non-Guarantor Subsidiary;

(v) Investments made after the Closing Date by any Non-Guarantor Subsidiary in any Credit Party; and

(vi) Investments made after the Closing Date by any Credit Party in any Non-Guarantor Subsidiary in an aggregate amount not to exceed $30,000,000, for all such Investments made pursuant to this Section 9.3(g)(vi) at any time outstanding, less the amount of any Permitted Acquisitions made pursuant to Section 9.3(g)(ii) (provided that any Investments in the form of loans or advances made by any Credit Party to any Non-Guarantor Subsidiary pursuant to this clause (vi) shall be evidenced by a demand note in form and substance reasonably satisfactory to the Administrative Agent and shall be pledged and delivered to the Administrative Agent pursuant to the Security Documents);

(b) Investments in cash and Cash Equivalents;

(c) Investments by the Borrower or any of its Subsidiaries consisting of Capital Expenditures permitted by this Agreement;

(d) deposits made in the ordinary course of business to secure the performance of leases, the payment of rent or other obligations as permitted by Section 9.2;

(e) Hedge Agreements permitted pursuant to Section 9.1;

(f) purchases of assets in the ordinary course of business;

(g) Investments by the Borrower or any Subsidiary thereof in the form of

i. Permitted Acquisitions to the extent that any Person or Property acquired in such Acquisition becomes a part of the Borrower or a Subsidiary Guarantor or becomes (whether or not such Person is a Wholly-Owned Subsidiary) a Subsidiary Guarantor in the manner contemplated by Section 8.14; and

ii. Permitted Acquisitions to the extent that any Person or Property acquired in such Acquisition does not become a Subsidiary Guarantor or a part of a Subsidiary Guarantor in an aggregate amount at any time outstanding not to exceed (A) $30,000,000 less (B) the amount of outstanding Investments made pursuant to Section 9.3(a)(vi).

(h) Investments in the form of travel advances and relocation and other loans and advances to employees for reasonable and customary business-related travel, entertainment, relocation, and analogous ordinary business purposes, and payroll advances in connection with changes in payroll systems and other advances of payroll payments to employees, in each case in the ordinary course of business;

(i) Investments consisting of loans to employees to finance the purchase of Equity Interests (other than Disqualified Equity Interests) of the Borrower pursuant to employee stock purchase plans or agreements approved by the Borrower's board of directors in an aggregate principal amount not to exceed $1,000,000 outstanding at any time (determined without regard to any write-downs or write-offs of such loans);

(j) Investments in the form of Restricted Payments permitted pursuant to Section 9.6;

(k) Guaranty Obligations permitted pursuant to Section 9.1 in respect of (A) Indebtedness of Credit Parties and (B) other obligations of Credit Parties not prohibited by this Agreement, (ii) Guaranty Obligations permitted pursuant to Section 9.1 in respect of (A) Indebtedness of Non-Guarantor Subsidiaries and (B) other obligations of Non-Guarantor Subsidiaries not prohibited by this Agreement (other than obligations of the type described in clause (iii) below); provided that Guaranty Obligations incurred after the Closing Date by Credit Parties in respect of obligations of Non-Guarantor Subsidiaries pursuant to this Section 9.3(k)(ii) shall not exceed in the aggregate at the time any such Guaranty Obligation is incurred, an amount equal to, at any time outstanding, $20,000,000 and (iii) Guaranty Obligations of Credit Parties permitted pursuant to Section 9.1 in respect of obligations of Non-Guarantor Subsidiaries under Secured Cash Management Agreements and Secured Hedge Agreements in an aggregate principal amount not to exceed $20,000,000 at any time;

(l) Investments consisting of extensions of credit to the customers of the Borrower or of any of its Subsidiaries in the nature of accounts receivable, prepaid royalties, or notes receivable, arising from the grant of trade credit or licensing activities of the Borrower or such Subsidiary, in each case in the ordinary course of business;

(m) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of litigation, delinquent obligations of, and other disputes with, customers, suppliers or other Persons arising in the ordinary course of business (including Investments received upon foreclosure of any secured customer leases or licenses);

(n) Investments consisting of leases of goods and inventory and related licenses to customers in the ordinary course of business;

(o) joint venture, corporate collaborations, or strategic alliances in the ordinary course of the Borrower's or a Subsidiary's business consisting of the licensing of technology, the development of technology or the providing of technical

support; provided that: (i) such joint ventures, collaborations and alliances do not interfere in any material respect with the ordinary conduct of the business of the Borrower or its Subsidiaries or result in a material diminution in the value of the Collateral as security for the Obligations (other than by virtue of any assets invested pursuant to such Investment ceasing to be Collateral); (ii) obligations under such joint ventures, collaborations and alliances are not secured by any Property of the Borrower or any Subsidiary of any such joint venture, collaboration or alliance; and (iii) any Investments made by the Borrower or any Subsidiary in connection with such joint ventures, collaborations and alliances shall not exceed, at any time outstanding, $35,000,000 in the aggregate, for all such Investments made pursuant to this Section 9.3(o)(iii);

(p) non-cash consideration received in connection with Asset Dispositions expressly permitted by Section 9.5; and

(q) Investments not otherwise permitted pursuant to this Section 9.3 in an amount equal to the lesser of (i) an amount such that the Consolidated Total Leverage Ratio on a Pro Forma Basis would not be greater than 2.00 to 1.00, and (ii) $30,000.000 in the aggregate in any Fiscal Year; provided that, in each case, immediately before and immediately after giving pro forma effect to any such Investments incurred in connection therewith, no Default or Event of Default shall have occurred and be continuing.

For purposes of determining the amount of any Investment outstanding for purposes of this Section 9.3, such amount shall be deemed to be the amount of such Investment when made, purchased or acquired (without adjustment for subsequent increases or decreases in the value of such Investment) less any amount realized in respect of such Investment upon the sale, collection or return of capital (not to exceed the original amount invested).

SECTION 9.4 Fundamental Changes. Merge, consolidate or enter into any similar combination with, or enter into any Asset Disposition of all or substantially all of its assets (whether in a single transaction or a series of transactions) with, any other Person or liquidate, wind-up or dissolve itself (or suffer any liquidation or dissolution) except:

(a) (i) any Subsidiary of the Borrower may be merged, amalgamated, or consolidated with or into, or be dissolved or liquidated into, the Borrower (provided that the Borrower shall be the continuing or surviving entity); or (ii) any Subsidiary of the Borrower may be merged, amalgamated, or consolidated with or into, or be dissolved or liquidated into, any Subsidiary Guarantor (provided that the Subsidiary Guarantor shall be the continuing or surviving entity or substantially concurrently with such transaction, the continuing or surviving entity shall become a Subsidiary Guarantor and the Borrower shall comply with Section 8.14 in connection therewith);

(b) (i) any Non-Guarantor Subsidiary may be merged, amalgamated or consolidated with or into, or be dissolved or liquidated into, any other Non-Guarantor Subsidiary and (ii) any Non-Guarantor Subsidiary that is a Domestic Subsidiary may be merged, amalgamated or consolidated with or into, or be dissolved or liquidated into, any other Non-Guarantor Subsidiary that is a Domestic Subsidiary;

(c) any Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation, dissolution, winding up or otherwise) to the Borrower, any Subsidiary Guarantor, or any Subsidiary that will become a Subsidiary Guarantor substantially concurrently with such transaction; provided that, with respect to any such disposition by any Non-Guarantor Subsidiary, the consideration for such disposition shall not exceed the fair value of such assets (as determined in good faith by the Borrower);

(d) any Non-Guarantor Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation, dissolution, winding up or otherwise) to any other Non-Guarantor Subsidiary;

(e) any Wholly-Owned Subsidiary of the Borrower may merge with or into the Person such Wholly-Owned Subsidiary was formed to acquire in connection with any acquisition permitted hereunder (including, without limitation, any Permitted Acquisition permitted pursuant to Section 9.3(g)); provided that: (i) in the case of any merger involving a Wholly-Owned Subsidiary that is a Subsidiary Guarantor, a Subsidiary Guarantor shall be the continuing or surviving Person; or (ii) in the case of any merger involving a Wholly-Owned Subsidiary that is not a Subsidiary Guarantor, in connection with such transaction, the continuing or surviving Person shall become a Subsidiary Guarantor to the extent required under, and within the time periods set forth in, Section 8.14, with which the Borrower shall comply in connection with such transaction;

(f) any Person may merge into the Borrower or any of its Wholly-Owned Subsidiaries in connection with a Permitted Acquisition permitted pursuant to Section 9.3(g); provided that: (i) in the case of a merger involving the Borrower, the continuing or surviving Person shall be the Borrower; (ii) except as set forth in clause (i), in the case of a merger involving a Subsidiary Guarantor, the continuing or surviving Person shall be a Subsidiary Guarantor; and (iii) except as set forth in

clause (i) and (ii), in the case of a merger involving a Wholly-Owned Subsidiary of the Borrower, the continuing or surviving Person shall be a Wholly-Owned Subsidiary of the Borrower, and to the extent required by, and within the time periods set forth in, Section 8.14, the Borrower shall cause such Wholly-Owned Subsidiary to become a Subsidiary Guarantor and to comply with all other requirements set forth in Section 8.14; and

(g) any Subsidiary may merge into any other Person in connection with an Asset Disposition permitted under Section 9.5(l).

SECTION 9.5 Asset Dispositions. Make any Asset Disposition except:

(a) the sale of obsolete, worn-out or surplus assets no longer used or usable in the business of the Borrower or any of its Subsidiaries;

(b) Asset Dispositions in the ordinary course of business consisting of the abandonment, cancellation, non-renewal, or discontinuance of the use or maintenance of intellectual property or rights relating thereto that: (i) in the reasonable good faith determination of the Borrower, are uneconomical, negligible, obsolete, or otherwise not material in the conduct of its business; and (ii) not materially disadvantageous to the rights or remedies of the Lenders (it being understood and agreed that no intellectual property or rights relating thereto that are material or necessary to the operation of the business of the Borrower and its Subsidiaries, taken as a whole, may be disposed of in reliance on this clause);

(c) non-exclusive licenses and sublicenses of intellectual property rights in the ordinary course of business not interfering, individually or in the aggregate, in any material respect with the conduct of the business of the Borrower and its Subsidiaries;

(d) customer leases and other leases, subleases, licenses, or sublicenses of real or personal property granted by the Borrower or any of its Subsidiaries to others, in each case, in the ordinary course of business not interfering, individually or in the aggregate, in any material respect with the business of the Borrower or any of its Subsidiaries;

(e) Asset Dispositions in connection with Insurance and Condemnation Events; provided that the requirements of Section 2.4(d) are complied with in connection therewith;

(f) Assets Dispositions in connection with transactions permitted by Section 9.4 (other than Section 9.4(g));

(g) Asset Dispositions of Property to the extent that: (i) such Property is exchanged for, or credited against the purchase price of, replacement Property; or (ii) the Net Cash Proceeds of such Asset Disposition are promptly applied to the purchase price of such replacement Property;

(h) (i) surrender or waiver of contractual rights or the settlement or waiver of contractual or litigation claims; and (ii) the sale, license or other transfer of intellectual property rights in connection with the settlement or waiver of contractual or litigation claims; provided that such sale, license or transfer does not materially interfere with the business of the Borrower and its Subsidiaries, taken as a whole;

(i) termination of licenses, leases, and other contractual rights in the ordinary course of business, which does not materially interfere with the conduct of business of the Borrower and its Subsidiaries and is not materially disadvantageous to the rights or remedies of the Lenders;

(j) to the extent such Asset Disposition constitutes a Lien, the grant of Permitted Liens;

(k) to the extent such Asset Disposition constitutes an Investment, transactions permitted pursuant to Section 9.3;

(l) Asset Dispositions not otherwise permitted pursuant to this Section; provided that: (i) at the time of such Asset Disposition, no Default or Event of Default shall exist or would result from such Asset Disposition; (ii) such Asset Disposition is made for fair market value and the consideration received shall be no less than 75% in cash (for the avoidance of doubt, the aggregate consideration received in connection with such Asset Disposition shall not, for purposes of determining the cash component of consideration, include any consideration arising from the assumption of any liabilities); and (iii) the aggregate fair market value of all property disposed of in reliance on this clause (l) shall not exceed $50,000,000 in any Fiscal Year;

(m) 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; and

(n) sales, leases or other dispositions of any assets of the Borrower or any of its Subsidiaries determined by the management of the Borrower or such Subsidiary to be no longer useful or necessary in the operation of the business of the Borrower or such Subsidiary.

SECTION 9.6 Restricted Payments. Declare or pay any dividend on, or make any payment or other distribution (whether in cash, securities or other property), on account of, or purchase, redeem, retire, or otherwise acquire (directly or indirectly), or set apart assets for a sinking or other analogous fund for the purchase, redemption, retirement, or other acquisition of, any class of Equity Interests of any Credit Party or any Subsidiary thereof, or make any distribution of cash, property, or assets to the holders of shares of any Equity Interests of any Credit Party or any Subsidiary thereof or make any Qualified Earn-Out Payments or any voluntary or optional payment or prepayment of principal of, or redemption, purchase, retirement, defeasance (including in substance or legal defeasance), of any Permitted Unsecured Indebtedness (all of the foregoing, the "Restricted Payments"); provided that:

(a) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, the Borrower or any of its Subsidiaries may pay dividends in the form of shares of its own Qualified Equity Interests;

(b) any Subsidiary of the Borrower may pay cash dividends to the Borrower or any Subsidiary Guarantor (and, if applicable, to other holders of its outstanding Qualified Equity Interests on a pro rata basis);

(c) any Non-Guarantor Subsidiary may make Restricted Payments to any other Non-Guarantor Subsidiary (and, if applicable, to other holders of its outstanding Equity Interests on a ratable basis);

(d) repurchases of Equity Interests in the Borrower deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(e) the Borrower may make payments made or expected to be made by the Borrower in respect of withholding or similar Taxes payable by any future, present, or former employee, director, manager, or consultant, and any repurchases of Equity Interests in consideration of such payments, including deemed repurchases in connection with the exercise of stock options or the vesting of restricted stock;

(f) the Borrower may make cash payments in lieu of fractional shares in connection with the exercise of warrants, options, or other securities, convertible or exchangeable for Equity Interests of the Borrower;

(g) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, the Borrower may make: Restricted Payments in an unlimited amount; provided that on a Pro Forma Basis immediately after giving effect to such Restricted Payments (x) the Borrower is in compliance with the financial covenants set forth in Section 9.13 and (y) the unfunded Revolving Credit Commitments available to be drawn shall be equal to or exceed 20% of the original Revolving Credit Commitments as of the Closing Date;

(h) the Borrower may make Qualified Earn-Out Payments, subject to compliance, on a Pro Forma Basis, with the financial covenants set forth in Section 9.13;

(i) the Borrower may make refinancings, renewals, extensions or exchanges of any Permitted Unsecured Indebtedness permitted by Section 9.1(j) with Permitted Unsecured Indebtedness permitted by Section 9.1(j);

(j) the Borrower may make payments and prepayments of any Permitted Unsecured Indebtedness made solely with the proceeds of Qualified Equity Interests;

(k) the Borrower may make conversion or exchange of any Permitted Unsecured Indebtedness into or for Qualified Equity Interests; and

(l) the Borrower may make payments of interest, expenses, and indemnities in respect of Permitted Unsecured Indebtedness incurred under Section 9.1(j).

SECTION 9.7 Transactions with Affiliates. Directly or indirectly enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with: (x) any officer, director, holder of 10% or more of any Equity Interests in, or other Affiliate of, the Borrower or any of its Subsidiaries; or (y) any Affiliate of any such officer, director or holder, other than:

(a) transactions permitted by Section 9.6;

(b) transactions existing on the Closing Date and described on Schedule 9.7;

(c) transactions among Credit Parties and their Wholly-Owned Subsidiaries;

(d) other transactions in the ordinary course of business on terms as favorable as would be obtained by it on a comparable arm's-length transaction with an independent, unrelated third party as determined in good faith by the board of directors (or equivalent governing body) of the Borrower;

(e) employment, severance, and other similar compensation arrangements (including equity incentive plans and employee benefit plans and arrangements) with their respective directors, officers, and employees in the ordinary course of business; and

(f) payment of customary fees and reasonable out of pocket costs to, and indemnities for the benefit of, directors, officers and employees of the Borrower and its Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Borrower and its Subsidiaries.

SECTION 9.8 Accounting Changes; Organizational Documents.

a. (i) Change its Fiscal Year end (other than in the case of any Subsidiary, to conform such Subsidiary's Fiscal Year end to that of the Borrower); or (ii) make (without the consent of the Administrative Agent) any material change in its accounting treatment and reporting practices except as permitted or required by GAAP.

b. Amend, modify, or change its articles of incorporation (or corporate charter or other similar organizational documents) or amend, modify, or change its bylaws (or other similar documents) in any manner materially adverse to the rights or interests of the Lenders.

SECTION 9.9 Modifications of Permitted Unsecured Indebtedness.

Amend, modify, waive, or supplement (or permit the modification, amendment, waiver, or supplement of) any of the terms or provisions of any Permitted Unsecured Indebtedness in a manner that would cause such Indebtedness to no longer constitute Permitted Unsecured Indebtedness under the definition thereof.

SECTION 9.10 No Further Negative Pledges; Restrictive Agreements.

a. Enter into, assume or be subject to any agreement prohibiting or otherwise restricting the creation or assumption of any Lien to secure the Secured Obligations upon its properties or assets, whether now owned or hereafter acquired, or requiring the grant of any security for such obligation if security is given for some other obligation, except: (i) pursuant to this Agreement and the other Loan Documents; (ii) pursuant to any agreement, document, or instrument governing Indebtedness incurred pursuant to Section 9.1(d) (provided that any such restriction contained therein relates only to the asset or assets financed thereby); (iii) pursuant to any agreement, document, or instrument governing Indebtedness incurred pursuant to Section 9.1(n) (provided that any such restriction contained therein relates only to the assets of the Foreign Subsidiary incurring such Indebtedness); (iv) customary restrictions contained in the organizational documents of any Non-Guarantor Subsidiary as of the Closing Date and, solely to the extent required by Applicable Law, any other customary restrictions contained in the organizational documents of any Non-Guarantor Subsidiary; (v) customary provisions in joint venture agreements and other similar agreements applicable to joint ventures permitted under Section 9.3(n) and applicable solely to such joint venture and customary restrictions on the transfer of Equity Interests in any Person that is not a Subsidiary; (vi) customary provisions restricting assignment of any lease, license, and other agreement entered into in the ordinary course of business; (vii) customary restrictions in connection with any Permitted Lien or any document or instrument governing any Permitted Lien (provided that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien); (viii) pursuant to any agreement, document, or instrument of any Subsidiary imposing restrictions or requirements with respect to any Property in existence at the time such Subsidiary or Property was acquired, so long as such restrictions or requirements are not entered into in contemplation of such Person becoming a Subsidiary or the acquisition of such Property

(and any amendment, modification, or extension thereof that does not expand the scope of any such restriction or requirement and is not more adverse to the rights or interests of the Lenders than such restriction or requirement in effect prior to such amendment, modification, or extension); and (ix) customary restrictions and conditions contained in an agreement related to the sale or other disposition of any Property (to the extent such sale or other disposition is permitted pursuant to Section 9.5) that limit the transfer of such Property pending the consummation of such sale or disposition, solely as to Property being sold or disposed of.

b. Create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Credit Party or any Subsidiary thereof to: (i) pay dividends or make any other distributions to any Credit Party or any Subsidiary on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits; (ii) pay any Indebtedness or other obligation owed to any Credit Party; or (iii) make loans or advances to any Credit Party, except in each case for such encumbrances or restrictions existing under or by reason of: (A) this Agreement and the other Loan Documents; (B) Applicable Law; (C) Indebtedness permitted under Section 9.1(n) (provided that any such restriction and encumbrance contained therein relates only to the Foreign Subsidiary incurring such Indebtedness); (D) customary restrictions and conditions contained in an agreement related to the sale or other disposition of any Property (to the extent such sale or other disposition is permitted pursuant to Section 9.5) that limit the transfer of such Property pending the consummation of such sale or disposition, solely as to Property being sold or disposed of; (E) any restrictions or encumbrances imposed on any Person prior to the date such Person becomes a Subsidiary, so long as such restrictions or encumbrances were not entered into in contemplation of such Person becoming a Subsidiary (and any amendment, modification, or extension thereof that does not expand the scope of any such restriction or encumbrance and is not more adverse to the rights or interests of the Lenders than such restriction or encumbrance in effect prior to such amendment, modification, or extension); and (F) in the case of any Subsidiary that is not a Wholly-Owned Subsidiary, restrictions and conditions imposed by its articles or certificate of incorporation or formation, bylaws or operating agreement (or other equivalent organizational documents) or any related joint venture or similar agreements; provided that such restrictions and conditions apply only to such Subsidiary and to the Equity Interests of such Subsidiary.

c. Create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Credit Party or any Subsidiary thereof to: (i) sell, lease or transfer any of its properties or assets to any Credit Party; or (ii) act as a Credit Party pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, except in each case for such encumbrances or restrictions existing under or by reason of: (A) this Agreement and the other Loan Documents; (B) Applicable Law; (C) any document or instrument governing Indebtedness incurred pursuant to Section 9.1(d) (provided that any such restriction contained therein relates only to the asset or assets acquired in connection therewith); (D) pursuant to any document or instrument governing Indebtedness incurred pursuant to Section 9.1(n) (provided that any such restriction contained therein relates only to the Foreign Subsidiary incurring such Indebtedness and its assets); (E) any Permitted Lien or any document or instrument governing any Permitted Lien (provided that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien); (F) obligations that are binding on a Subsidiary at the time such Subsidiary first becomes a Subsidiary of the Borrower, so long as such obligations are not entered into in contemplation of such Person becoming a Subsidiary (and any amendment, modification, or extension thereof that does not expand the scope of any such restriction or encumbrance and is not more adverse to the rights or interests of the Lenders than such restriction or encumbrance in effect prior to such amendment, modification, or extension); (G) customary restrictions contained in an agreement related to the sale of Property (to the extent such sale is permitted pursuant to Section 9.5) that limit the transfer of such Property pending the consummation of such sale; (H) customary restrictions in leases, subleases, licenses and sublicenses or asset sale agreements otherwise permitted by this Agreement so long as such restrictions relate only to the assets subject thereto; (I) customary provisions restricting assignment of any lease, sublease, license, sublicense or other agreement; and (J) customary provisions in joint venture agreements and other similar agreements applicable to joint ventures permitted under Section 9.3(o) and applicable solely to such joint venture and customary restrictions on the transfer of Equity Interests in any Person that is not a Subsidiary.

Notwithstanding the foregoing, the Borrower and its Domestic Subsidiaries shall not grant any Person, or suffer to exist, control over any Deposit Accounts or Securities Accounts (within the meaning of UCC 9-104(a)(2) or UCC 9-106(a)), other than: (I) pursuant to Control Agreements entered into pursuant to Section 11 of the Collateral Agreement; or (II) in connection with Liens permitted pursuant to Section 9.2(e), Section 9.2(f), Section 9.2(q), and Section 9.2(s), limited solely to deposits, pledges, and escrow arrangements so permitted.

SECTION 9.11 Nature of Business. Engage in any business other than the business conducted by the Borrower and its Subsidiaries as of the Closing Date and business activities reasonably related, incidental, complementary, or ancillary thereto.

SECTION 9.12 Sale Leasebacks. Directly or indirectly become or remain liable as lessee or as guarantor or other surety with respect to any lease, whether an operating lease or a capital lease, of any Property (whether real, personal or mixed), whether now owned or hereafter acquired: (a) which any Credit Party or any Subsidiary thereof has sold or transferred or is to sell or transfer to a Person which is not another Credit Party or Subsidiary of a Credit Party; or (b) which any Credit Party or any Subsidiary of a Credit Party intends to use for substantially the same purpose as any other Property that has been sold or is to be sold or transferred by such Credit Party or such Subsidiary to another Person which is not another Credit Party or Subsidiary of a Credit Party in connection with such lease; provided that the Borrower and its Subsidiaries may become liable as lessee, guarantor or other surety with respect to a new lease that would otherwise be prohibited by this Section 9.12 to the extent that (A) such lease, if a Capital Lease, is permitted by Section 9.1, (B) the sale of such asset is permitted by Section 9.5, (C) the consideration received shall be at least equal to the fair market value of the property sold and (D) the aggregate amount of assets sold pursuant to all such transactions made under this subsection shall not exceed $30,000,000 during the term of this Agreement.

SECTION 9.13 Financial Covenants.

a. Consolidated Total Leverage Ratio. As of the last day of any fiscal quarter commencing with the last day of the fiscal quarter during which the Closing Date occurs, permit the Consolidated Total Leverage Ratio to be greater than 3.00 to 1.00.

b. Consolidated Fixed Charge Coverage Ratio. As of the last day of any fiscal quarter commencing with the last day of the first quarter during which the Closing Date occurs, permit the Consolidated Fixed Charge Coverage Ratio to be less 2.00 to 1.00.

SECTION 9.14 Disposal of Subsidiary Interests. Permit any Subsidiary Guarantor to be a non-Wholly-Owned Subsidiary except (a) as required under Applicable Law or (b) as a result of or in connection with a dissolution, merger, amalgamation, consolidation, or disposition permitted by Section 9.4 or Section 9.5.

ARTICLE X

DEFAULT AND REMEDIES

SECTION 10.1 Events of Default. Each of the following shall constitute an Event of Default:

(a) Default in Payment of Principal of Loans and Reimbursement Obligations. The Borrower shall default in any payment of principal of any Loan or Reimbursement Obligation when and as due (whether at maturity, by reason of acceleration or otherwise).

(b) Other Payment Default. The Borrower or any other Credit Party shall default in the payment when and as due (whether at maturity, by reason of acceleration or otherwise) of interest on any Loan or Reimbursement Obligation or the payment of any other Obligation and such default shall continue for a period of five (5) Business Days.

(c) Misrepresentation. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Credit Party or any Subsidiary thereof in this Agreement, in any other Loan Document, or in any notice, certificate, or instrument delivered in connection herewith or therewith that is subject to materiality or Material Adverse Effect qualifications, shall be incorrect or misleading in any respect when made or deemed made or any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Credit Party or any Subsidiary thereof in this Agreement, any other Loan Document, or in any notice, certificate, or instrument delivered in connection herewith or therewith that is not subject to materiality or Material Adverse Effect qualifications, shall be incorrect or misleading in any material respect when made or deemed made.

(d) Default in Performance of Certain Covenants. Any Credit Party or any Subsidiary thereof shall default in the performance or observance of any covenant or agreement contained in Sections 8.1, 8.2(a), 8.3(a), 8.4, 8.13, 8.14, 8.16, or Article IX.

(e) Default in Performance of Other Covenants and Conditions. Any Credit Party or any Subsidiary thereof shall default in the performance or observance of any term, covenant, condition, or agreement contained in this Agreement (other than as specifically provided for in this Section) or any other Loan Document, and such default shall continue for a period of thirty (30) days after the earlier of: (i) the Administrative Agent's delivery of written notice thereof to the Borrower; and (ii) a Responsible Officer of any Credit Party having obtained knowledge thereof.

(f) Indebtedness Cross-Default. Any Credit Party or any Subsidiary thereof shall: (i) default in the payment of any Indebtedness (other than the Loans, intercompany Indebtedness solely between or among the Borrower and its Wholly-Owned Subsidiaries, or any Reimbursement Obligation) the aggregate principal amount (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge Termination Value, of which is in excess of the Threshold Amount beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created; or (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (other than the Loans, intercompany Indebtedness solely between or among the Borrower and its Wholly-Owned Subsidiaries, or any Reimbursement Obligation) the aggregate principal amount (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge Termination Value, of which is in excess of the Threshold Amount or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, with the giving of notice and/or lapse of time, if required, any such Indebtedness to become due, or required to be prepaid, repurchased, redeemed or defeased prior to its stated maturity (any applicable grace period having expired), provided that this clause (f)(ii) shall not apply to: (A) secured Indebtedness that becomes 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; or (B) the satisfaction of a condition to conversion of any convertible notes constituting Permitted Unsecured Indebtedness permitted to be incurred under this Agreement or any settlement of any such conversion permitted hereunder.

(g) Change in Control. Any Change in Control shall occur.

(h) Voluntary Bankruptcy Proceeding. Any Credit Party or any Subsidiary thereof shall (i) commence a voluntary case under any Debtor Relief Laws; (ii) file a petition seeking to take advantage of any Debtor Relief Laws; (iii) consent to or fail to contest in a timely and appropriate manner any petition filed against it in an involuntary case under any Debtor Relief Laws; (iv) apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of a substantial part of its property, domestic or foreign; (v) admit in writing its inability to pay its debts as they become due; (vi) make a general assignment for the benefit of creditors; or (vii) take any corporate action for the purpose of authorizing any of the foregoing.

(i) Involuntary Bankruptcy Proceeding. A case or other proceeding shall be commenced against any Credit Party or any Subsidiary thereof in any court of competent jurisdiction seeking: (i) relief under any Debtor Relief Laws; or (ii) the appointment of a trustee, receiver, custodian, liquidator or the like for any Credit Party or any Subsidiary thereof or for all or any substantial part of their respective assets, domestic or foreign, and such case or proceeding shall continue without dismissal or stay for a period of sixty (60) consecutive days, or an order granting the relief requested in such case or proceeding (including, but not limited to, an order for relief under such federal bankruptcy laws) shall be entered.

(j) Failure of Agreements. Any material provision of this Agreement or any provision of any other Loan Document shall for any reason cease to be valid and binding on any Credit Party or any Subsidiary thereof party thereto or any such Person shall so state in writing, or any Loan Document shall, or shall be asserted by any Credit Party or any Subsidiary, for any reason cease to create a valid and perfected first priority Lien (subject to Permitted Liens) on, or security interest in, any of the Collateral with a fair market value, individually or in the aggregate, in excess of $10,000,000 (except to the extent that any such loss of perfection or priority results from the failure of the Administrative Agent to maintain possession of certificates actually delivered to it representing securities pledged under the Security Documents), in each case other than in accordance with the express terms hereof or thereof.

(k) ERISA Events. The occurrence of any of the following events: (i) any Credit Party or any ERISA Affiliate fails to make full payment when due of all amounts which, under the provisions of any Pension Plan or Sections 412 or 430 of the Code, any Credit Party or any ERISA Affiliate is required to pay as contributions thereto and such unpaid amounts are in excess of the Threshold Amount; (ii) a Termination Event; or (iii) any Credit Party or any ERISA Affiliate as employers under one or more Multiemployer Plans makes a complete or partial withdrawal from any such Multiemployer Plan and the plan sponsor of such Multiemployer Plans notifies such withdrawing employer that such employer has incurred a withdrawal liability requiring payments in an amount exceeding the Threshold Amount.

(l) Judgment. (i) One or more judgments, orders or decrees shall be entered against any Credit Party or any Subsidiary thereof by any court; (ii) such judgments, orders or decrees are for the payment of money, individually or in the aggregate (net of any amounts paid or fully covered (A) by independent third party insurance as to which the relevant insurance company does not dispute coverage or (B) by the indemnity obligations of Pfizer, Inc. under the Hospira Acquisition Agreement), equal to or in excess of $50,000,000; and (iii) (A) such judgment, order or decree is not discharged, satisfied, vacated or appealed within sixty (60) days from the date of entry thereof or (B) there shall be any period of sixty (60)

consecutive days during which a stay of enforcement of any such judgment or order, by reason of pending appeal or otherwise, shall not be in effect.

SECTION 10.2 Remedies. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower:

(a) Acceleration; Termination of Credit Facility. Terminate the Revolving Credit Commitment and declare the principal of and interest on the Loans and the Reimbursement Obligations at the time outstanding, and all other amounts owed to the Lenders and to the Administrative Agent under this Agreement or any of the other Loan Documents (including, without limitation, all L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented or shall be entitled to present the documents required thereunder) and all other Obligations, to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by each Credit Party, anything in this Agreement or the other Loan Documents to the contrary notwithstanding, and terminate the Credit Facility and any right of the Borrower to request borrowings or Letters of Credit thereunder; provided that upon the occurrence of an Event of Default specified in Section 10.1(h) or (i), the Credit Facility shall be automatically terminated and all Obligations shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by each Credit Party, anything in this Agreement or in any other Loan Document to the contrary notwithstanding.

(b) Letters of Credit. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to the preceding paragraph, demand that the Borrower deposit in a Cash Collateral account opened by the Administrative Agent an amount equal to 102% of the aggregate then undrawn and unexpired amount of such Letters of Credit. Amounts held in such Cash Collateral account shall be applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay the other Secured Obligations in accordance with Section 10.4. After all such Letters of Credit shall have expired or been fully drawn upon, the Reimbursement Obligation shall have been satisfied and the Discharge of the Secured Obligations has occurred, the balance, if any, in such Cash Collateral account shall be returned to the Borrower.

(c) General Remedies. Exercise on behalf of the Secured Parties all of its other rights and remedies under this Agreement, the other Loan Documents and Applicable Law, in order to satisfy all of the Secured Obligations.

SECTION 10.3 Rights and Remedies Cumulative; Non-Waiver; etc.

a. The enumeration of the rights and remedies of the Administrative Agent and the Lenders set forth in this Agreement is not intended to be exhaustive and the exercise by the Administrative Agent and the Lenders of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder or under the other Loan Documents or that may now or hereafter exist at law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Administrative Agent or any Lender in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No course of dealing between the Borrower, the Administrative Agent and the Lenders or their respective agents or employees shall be effective to change, modify or discharge any provision of this Agreement or any of the other Loan Documents or to constitute a waiver of any Event of Default.

b. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Credit Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 10.2 for the benefit of all the Lenders and the Issuing Lenders; provided that the foregoing shall not prohibit: (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents; (b) any Issuing Lender or the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as an Issuing Lender or Swingline Lender, as the case may be) hereunder and under the other Loan Documents; (c) any Lender from exercising setoff rights in accordance with Section 12.4 (subject to the terms of Section 5.6); or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Credit Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then: (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 10.2; and (ii) in addition to the matters set

forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 5.6, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

SECTION 10.4 Crediting of Payments and Proceeds. In the event that the Obligations have been accelerated pursuant to Section 10.2 or the Administrative Agent or any Lender has exercised any remedy set forth in this Agreement or any other Loan Document, all payments received on account of the Secured Obligations and all net proceeds from the enforcement of the Secured Obligations shall be applied by the Administrative Agent as follows:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Administrative Agent in its capacity as such, the Issuing Lenders in their capacity as such and the Swingline Lender in its capacity as such, ratably among the Administrative Agent, the Issuing Lenders and Swingline Lender in proportion to the respective amounts described in this clause First payable to them;

Second, to payment of that portion of the Secured Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders under the Loan Documents, including attorney fees, ratably among the Lenders in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid interest on the Loans, Reimbursement Obligations, Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans, Reimbursement Obligations and payment obligations then owing under Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Lenders, the Issuing Lenders, the Hedge Banks and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth payable to them;

Fifth, to the Administrative Agent for the account of the Issuing Lenders, to Cash Collateralize any L/C Obligations then outstanding; and

Last, the balance, if any, after the Discharge of the Secured Obligations, to the Borrower or as otherwise required by Applicable Law.

Notwithstanding the foregoing, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may request, from the Borrower or the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article XI for itself and its Affiliates as if a "Lender" party hereto.

SECTION 10.5 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Lenders and the Administrative Agent under Section 3.3, Section 5.3 and Section 12.3) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each Issuing Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the Issuing Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 3.3, Section 5.3 and Section 12.3.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to, or accept or adopt on behalf of any Lender or any Issuing Lender, any plan of reorganization, arrangement or adjustment affecting the Secured Obligations or the rights of any Lender or any Issuing Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender or any Issuing Lender or in any such proceeding.

SECTION 10.6 Credit Bidding.

a. The Administrative Agent, on behalf of itself and the Secured Parties and at the direction of the Required Lenders, shall have the right to credit bid and purchase for the benefit of the Administrative Agent and the Secured Parties all or any portion of Collateral at any sale thereof conducted by the Administrative Agent under the provisions of the UCC, including pursuant to Sections 9-610 or 9-620 of the UCC, at any sale thereof conducted under the provisions of the United States Bankruptcy Code, including Section 363 thereof, or a sale under a plan of reorganization, or at any other sale or foreclosure conducted by the Administrative Agent (whether by judicial action or otherwise) in accordance with Applicable Law. Such credit bid or purchase may be completed through one or more acquisition vehicles formed by the Administrative Agent to make such credit bid or purchase and, in connection therewith, the Administrative Agent is authorized, on behalf of itself and the other Secured Parties, to adopt documents providing for the governance of the acquisition vehicle or vehicles, and assign the applicable Secured Obligations to any such acquisition vehicle in exchange for Equity Interests and/or debt issued by the applicable acquisition vehicle (which shall be deemed to be held for the ratable account of the applicable Secured Parties on the basis of the Secured Obligations so assigned by each Secured Party).

b. Each Lender hereby agrees, on behalf of itself and each of its Affiliates that is a Secured Party, that, except as otherwise provided in any Loan Document or with the written consent of the Administrative Agent and the Required Lenders, it will not take any enforcement action, accelerate obligations under any of the Loan Documents, or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales or other similar dispositions of Collateral.

ARTICLE XI

THE ADMINISTRATIVE AGENT

SECTION 11.1 Appointment and Authority.

a. Each of the Lenders and each Issuing Lender hereby irrevocably appoints Wells Fargo to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Lenders, and neither the Borrower nor any Subsidiary thereof shall have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

b. The Administrative Agent shall also act as the collateral agent under the Loan Documents (the "Collateral Agent"), and each of the Lenders (including in its capacity as a potential Hedge Bank or Cash Management Bank) and the Issuing Lenders hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and such Issuing Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Credit Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto (including, without limitation, to enter into additional Loan Documents or supplements to existing Loan Documents on behalf of the Secured Parties). In this connection, the Administrative Agent, as "collateral agent" and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to this Article XI for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Security Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of Articles XI

and XII (including Section 12.3, as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

SECTION 11.2 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 11.3 Exculpatory Provisions.

a. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder and thereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

i. shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

ii. shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

iii. shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries or Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

b. The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 12.2 and Section 10.2) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Administrative Agent by the Borrower, a Lender or an Issuing Lender.

c. The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into: (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document; (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith (including, without limitation, any report provided to it by an Issuing Lender pursuant to Section 3.9); (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, the creation, perfection or priority of any Lien purported to be created by the Security Documents or the value or the sufficiency of any Collateral, (v) the satisfaction of any condition set forth in Article VI or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent; or (vi) the utilization of any Issuing Lender's L/C Commitment (it being understood and agreed that each Issuing Lender shall monitor compliance with its own L/C Commitment without any further action by the Administrative Agent).

d. The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor, or enforce compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not: (i) be obligated to ascertain, monitor, or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution; or (y) have any liability

with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

SECTION 11.4 Reliance by the Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender or such Issuing Lender unless the Administrative Agent shall have received notice to the contrary from such Lender or such Issuing Lender prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 11.5 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Credit Facility as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 11.6 Resignation of Administrative Agent.

a. The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and the Issuing Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any such successor Administrative Agent be a Defaulting Lender or a Disqualified Institution. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

b. If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by Applicable Law, by notice in writing to the Borrower and such Person, remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

c. With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (i) the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the Issuing Lenders under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (ii) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each Issuing Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed

between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 12.3 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

d. Any resignation by, or removal of, Wells Fargo as Administrative Agent pursuant to this Section shall also constitute its resignation as an Issuing Lender and Swingline Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder: (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Lender, if in its sole discretion it elects to, and Swingline Lender; (ii) the retiring Issuing Lender and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents; and (iii) the successor Issuing Lender, if in its sole discretion it elects to, shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangement satisfactory to the retiring Issuing Lender to effectively assume the obligations of the retiring Issuing Lender with respect to such Letters of Credit.

SECTION 11.7 Non-Reliance on Administrative Agent and Other Lenders. Each Lender and each Issuing Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and each Issuing Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 11.8 No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the syndication agents, documentation agents, co-agents, arrangers or bookrunners listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or an Issuing Lender hereunder.

SECTION 11.9 Collateral and Guaranty Matters.

a. Each of the Lenders (including in its or any of its Affiliate's capacities as a potential Hedge Bank or Cash Management Bank) irrevocably authorize the Administrative Agent, at its option and in its discretion:

i. to release any Lien on any Collateral granted to or held by the Administrative Agent, for the ratable benefit of the Secured Parties, under any Loan Document: (A) upon the Discharge of the Secured Obligations; (B) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents; or (C) if approved, authorized or ratified in writing in accordance with Section 12.2;

ii. to subordinate any Lien on any Collateral granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien permitted by Section 9.2 to the extent required pursuant to the documentation governing such lien; and

iii. to release any Subsidiary Guarantor from its obligations under any Loan Documents if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Subsidiary Guarantor from its obligations under the Guaranty Agreement pursuant to this Section 11.9.

b. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Credit Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 11.10 Secured Hedge Agreements and Secured Cash Management Agreements. No Cash Management Bank or Hedge Bank that obtains the benefits of Section 10.4 or any Collateral by virtue of the provisions hereof or of any

Security Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article XI to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Cash Management Agreements and Secured Hedge Agreements unless the Administrative Agent has received written notice of such Secured Cash Management Agreements and Secured Hedge Agreements, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be.

ARTICLE XII

MISCELLANEOUS

SECTION 12.1 Notices.

a. Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in clause (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

If to the Borrower:

ICU Medical, Inc.
951 Calle Amanecer
San Clemente, CA 92673
Attention of: Scott Lamb
Telephone No.: 949-366-4227
Facsimile No.: 949-366-3535

E-mail: slamb@icumed.com

With a copy to:

ICU Medical, Inc.
951 Calle Amanecer
San Clemente, CA 92673
Attention of: General Counsel
Telephone No.: 949-366-3553
Facsimile No.: 949-366-3535

E-mail: notice@icumed.com

With a copy (which shall not constitute notice) to:

Baker & McKenzie LLP
300 East Randolph Street, Suite 5000
Chicago, IL 60601
Attention of: David Malliband
Telephone No.: 312-861-8695
E-mail: David.Malliband@bakermckenzie.com

If to Wells Fargo as Administrative Agent:

Wells Fargo Bank, National Association
MAC 01109-019
1525 W. W.T. Harris Blvd.

Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone No.: 704-590-2723
Facsimile No.: 704-715-0017

If to any Lender:

To the address set forth on the Register

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent 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). Notices delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in said clause (b).

b. Electronic Communications. Notices and other communications to the Lenders and the Issuing Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or any Issuing Lender pursuant to Article II if such Lender or such Issuing Lender, as applicable, has notified the Administrative Agent that is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes: (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or other communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

c. Administrative Agent's Office. The Administrative Agent hereby designates its office located at the address set forth above, or any subsequent office which shall have been specified for such purpose by written notice to the Borrower and Lenders, as the Administrative Agent's Office referred to herein, to which payments due are to be made and at which Loans will be disbursed and Letters of Credit requested.

d. Change of Address, Etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

e. Platform.

(i) Each Credit Party agrees that the Administrative Agent may, but shall not be obligated to, make the Borrower Materials available to the Issuing Lenders and the other Lenders by posting the Borrower Materials on the Platform. The Borrower acknowledges and agrees that the DQ List shall be deemed suitable for posting and may be posted by the Administrative Agent on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the accuracy or completeness of the Borrower Materials or the adequacy of the Platform, and expressly disclaim liability for errors or omissions in the Borrower Materials. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Borrower Materials or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Credit Party, any Lender or any other Person or entity for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Credit Party's or the Administrative Agent's transmission of communications through the Internet (including, without limitation, the Platform), except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided that in no event shall any Agent Party have any liability

to any Credit Party, any Lender, the Issuing Lender or any other Person for indirect, special, incidental, consequential or punitive damages, losses or expenses (as opposed to actual damages, losses or expenses).

SECTION 12.2 Amendments, Waivers and Consents. Except as set forth below or as specifically provided in any Loan Document, any term, covenant, agreement or condition of this Agreement or any of the other Loan Documents may be amended or waived by the Lenders, and any consent given by the Lenders, if, but only if, such amendment, waiver or consent is in writing signed by the Required Lenders and delivered to the Administrative Agent (or by the Administrative Agent with the consent of the Required Lenders) and, in the case of an amendment, signed by the Borrower; provided that no amendment, waiver or consent shall:

(a) without the prior written consent of the Required Lenders, amend, modify or waive (i) Section 6.2 or any other provision of this Agreement if the effect of such amendment, modification or waiver is to require the Revolving Credit Lenders (pursuant to, in the case of any such amendment to a provision hereof other than Section 6.2, any substantially concurrent request by the Borrower for a borrowing of Revolving Credit Loans) to make Revolving Credit Loans when such Revolving Credit Lenders would not otherwise be required to do so, (ii) the amount of the Swingline Commitment or (iii) the amount of the L/C Sublimit;

(b) increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 10.2) or the amount of Loans of any Lender, in any case, without the written consent of such Lender (it being understood that a waiver of any condition precedent set forth in Section 6.2 or the waiver of any Default or Event of Default or mandatory prepayment shall not constitute an extension or increase of any Commitment of any Lender);

(c) waive, extend or postpone any date fixed by this Agreement or any other Loan Document for any payment (it being understood that a waiver of a mandatory prepayment under Section 2.4(d) shall only require consent of the Required Lenders and a waiver of a Lender's ratable portion of any prepayment under Section 2.4(d) shall only require consent of such Lender) of principal, interest, fees or other amounts due to the Lenders (or any of them), or any scheduled or mandatory reduction of the Revolving Credit Commitment, hereunder or under any other Loan Document, in each case without the written consent of each Lender directly and adversely affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or Reimbursement Obligation, or (subject to clauses (iv) and (viii) of the proviso set forth in the paragraph below) any fees or other amounts payable hereunder or under any other Loan Document, or change the manner of computation of any financial ratio (including any change in any applicable defined term) used in determining the Applicable Margin that would result in a reduction of any interest rate on any Loan or in any fee payable hereunder, without the written consent of each Lender directly and adversely affected thereby; provided that only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrower to pay interest at the rate set forth in Section 5.1(b) during the continuance of an Event of Default;

(e) change Section 5.6 or Section 10.4 in a manner that would alter the pro rata sharing of payments or order of application required thereby without the written consent of each Lender directly and adversely affected thereby;

(f) change Section 2.4(d) in a manner that would alter the order of application of amounts prepaid pursuant thereto without the written consent of each Lender directly and adversely affected thereby;

(f) except as otherwise permitted by this Section 12.2, change any provision of this Section or reduce the percentages specified in the definition of "Required Lenders," or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender directly affected thereby;

(g) consent to the assignment or transfer by any Credit Party of such Credit Party's rights and obligations under any Loan Document to which it is a party (except as permitted pursuant to Section 9.4), in each case, without the written consent of each Lender;

(h) release: (i) all or substantially all of the Subsidiary Guarantors; or (ii) Subsidiary Guarantors comprising all or substantially all of the value of the credit support for the Secured Obligations, in any case, from the Guaranty Agreement (other than as authorized in Section 11.9), without the written consent of each Lender; or

(i) release all or substantially all of the Collateral or release any Security Document (other than as authorized in Section 11.9 or as otherwise specifically permitted or contemplated in this Agreement or the applicable Security Document) without the written consent of each Lender;

provided further, that: (i) no amendment, waiver or consent shall, unless in writing and signed by each affected Issuing Lender in addition to the Lenders required above, affect the rights or duties of such Issuing Lender under this Agreement or any Letter of Credit Application relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swingline Lender in addition to the Lenders required above, affect the rights or duties of the Swingline Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (iv) each Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; (v) each Letter of Credit Application may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; provided that a copy of such amended Letter of Credit Application shall be promptly delivered to the Administrative Agent upon such amendment or waiver; (vi) any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of Lenders holding Loans or Commitments of a particular Class or Series (but not the Lenders holding Loans or Commitments of any other Class or Series) may be effected by an agreement or agreements in writing entered into by the Borrower and the requisite percentage in interest of the affected Class or Series, as applicable, of Lenders that would be required to consent thereto under this Section if such Class or Series, as applicable, of Lenders were the only Class or Series, as applicable, of Lenders hereunder at the time; (vii) the Administrative Agent and the Borrower shall be permitted to amend any provision of the Loan Documents (and such amendment shall become effective without any further action or consent of any other party to any Loan Document) if the Administrative Agent and the Borrower shall have jointly identified an obvious error or any error, ambiguity, defect or inconsistency or omission of a technical or immaterial nature in any such provision; and (viii) Wells Fargo may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to implement any Replacement Rate or otherwise effectuate the terms of Section 5.8(c) in accordance with the terms of Section 5.8(c). Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that (A) the Revolving Credit Commitment of such Lender may not be increased or extended without the consent of such Lender and (B) any amendment, waiver or consent hereunder which requires the consent of all Lenders or each affected Lender that by its terms affects any such Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender. Notwithstanding anything in this Agreement to the contrary, each Lender hereby irrevocably authorizes the Administrative Agent on its behalf, and without further consent, to enter into amendments or modifications to this Agreement (including, without limitation, amendments to this Section 12.2) or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to effectuate the terms of Section 5.13 and Section 5.16 (including, without limitation, as applicable, (1) to permit the Incremental Revolving Credit Increases to share ratably in the benefits of this Agreement and the other Loan Documents, and (2) to include the Incremental Revolving Credit Increase or outstanding Incremental Revolving Credit Increase in any determination of (i) Required Lenders or (ii) similar required lender terms applicable thereto; provided that no amendment or modification shall result in any increase in the amount of any Lender's Commitment or any increase in any Lender's Commitment Percentage, in each case, without the written consent of such affected Lender.

SECTION 12.3 Expenses; Indemnity.

a. Costs and Expenses. The Borrower and any other Credit Party, jointly and severally, shall pay: (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements of outside counsel for the Administrative Agent, but only with respect to one primary counsel and, if reasonably necessary, one local counsel in each relevant jurisdiction and one specialty counsel with respect to each relevant specialty), in connection with the syndication of the Credit Facility, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated); (ii) all reasonable and documented out-of-pocket expenses incurred by any Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit, or any demand for payment thereunder; and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any Lender or any Issuing Lender (including the reasonable and documented fees, charges and disbursements of any outside counsel for the Administrative Agent, any Lender or any Issuing Lender, but only with respect to one primary counsel for the Administrative Agent, Lenders and any Issuing Lenders (taken as a whole) and, if reasonably necessary, one local counsel for the Administrative Agent, Lenders and any Issuing Lenders (taken as a whole) in each relevant jurisdiction and one specialty counsel for the Administrative Agent, Lenders and any Issuing Lenders (taken as a whole) with respect to each relevant specialty, and, in the case of an actual or perceived conflict of interest, one additional primary counsel, one additional local counsel in each relevant jurisdiction, and one additional specialty counsel with respect to each relevant specialty, in each case for each group of similarly situated affected Persons taken as a whole), in connection with the enforcement or protection of its rights: (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section; or (B) in connection with the Loans made or

Letters of Credit issued hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

b. Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and each Issuing Lender, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, and shall pay or reimburse any such Indemnitee for, any and all losses, claims (including, without limitation, any Environmental Claims), penalties, damages, liabilities, consultant fees, and other related expenses (including the reasonable and documented fees, charges and disbursements of outside counsel, but only with respect to one primary counsel for all Indemnitees (taken as a whole) and, if reasonably necessary, one local counsel for all Indemnitees (taken as a whole) in each relevant jurisdiction and one specialty counsel for all Indemnitees (taken as a whole) with respect to each relevant specialty, and, in the case of an actual or perceived conflict of interest, one additional primary counsel, one additional local counsel in each relevant jurisdiction, and one additional specialty counsel with respect to each relevant specialty, in each case for each group of similarly situated affected Indemnitees taken as a whole), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Credit Party), arising out of, in connection with, or as a result of: (i) the execution, enforcement or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby (including, without limitation, the Transactions); (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by any Issuing Lender to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit and any failure by the Borrower to repay any amounts owned under the Loan Documents in an Applicable Currency in such currency); (iii) any actual or alleged presence or Release of Hazardous Materials at, on, under or from any property owned or operated at any time by any Credit Party or any Subsidiary thereof, or any Environmental Claim or other liability under Environmental Laws related in any way to any Credit Party or any Subsidiary; (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Credit Party or any Subsidiary thereof, and regardless of whether any Indemnitee is a party thereto; or (v) any claim (including, without limitation, any Environmental Claims), investigation, litigation or other proceeding (whether or not the Administrative Agent or any Lender is a party thereto) and the prosecution and defense thereof, arising out of or in any way connected with the Loans, this Agreement, any other Loan Document, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses: (A) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee; (B) result from a material breach of such Indemnitee's obligations under this Agreement or under any other Loan Document as determined by a court of competent jurisdiction by final and nonappealable judgment; or (C) any disputes solely among the Indemnitees (other than disputes involving claims against the Arranger, Administrative Agent, or any similar Person in its respective capacity as such) that do not arise from any act or omission of the Borrower or any of its Affiliates. This Section 12.3(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim, and which Taxes have been determined pursuant to Section 1313 of the Code.

c. Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), any Issuing Lender, the Swingline Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), such Issuing Lender, the Swingline Lender or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time, or if the Total Credit Exposure has been reduced to zero, then based on such Lender's share of the Total Credit Exposure immediately prior to such reduction) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); provided that with respect to such unpaid amounts owed to any Issuing Lender or the Swingline Lender solely in its capacity as such, only the Revolving Credit Lenders shall be required to pay such unpaid amounts, such payment to be made severally among them based on such Revolving Credit Lenders' Revolving Credit Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought or, if the Revolving Credit Commitment has been reduced to zero as of such time, determined immediately prior to such reduction); provided further that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), such Issuing Lender or the Swingline Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), such Issuing Lender or the Swingline Lender in connection with such capacity. The obligations of the Lenders under this clause (c) are subject to the provisions of Section 5.7.

d. Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Law, (i) the Borrower and each other Credit Party shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof and (ii) the Administrative Agent, the Swingline Lender, each Issuing Lender and each Lender shall not assert, and hereby waives, any claim against any Credit Party or any Subsidiary or any Affiliate thereof, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in clause (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct and actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

e. Payments. All amounts due under this Section shall be payable promptly after demand therefor.

f. Survival. Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

SECTION 12.4 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each Issuing Lender, the Swingline Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such Issuing Lender, the Swingline Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Credit Party against any and all of the obligations of the Borrower or such Credit Party now or hereafter existing under this Agreement or any other Loan Document to such Lender, such Issuing Lender or the Swingline Lender or any of their respective Affiliates, irrespective of whether or not such Lender, such Issuing Lender, the Swingline Lender or any such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Credit Party may be contingent or unmatured or are owed to a branch or office of such Lender, such Issuing Lender, the Swingline Lender or such Affiliate different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff: (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 10.4 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Lenders, the Swingline Lender and the Lenders; and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each Issuing Lender, the Swingline Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such Issuing Lender, the Swingline Lender or their respective Affiliates may have. Each Lender, such Issuing Lender and the Swingline Lender agree to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 12.5 Governing Law; Jurisdiction, Etc.

a. Governing Law. This Agreement and the other Loan Documents and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

b. Submission to Jurisdiction. The Borrower and each other Credit Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, any Issuing Lender, the Swingline Lender, or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York siting in New York County, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State

court or, to the fullest extent permitted by Applicable Law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent, any Lender, any Issuing Lender or the Swingline Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

c. Waiver of Venue. The Borrower and each other Credit Party irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

d. Service of Process. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 12.1. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Applicable Law.

SECTION 12.6 Waiver of Jury Trial.

a. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO: (i) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER; AND (ii) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 12.7 Reversal of Payments. To the extent any Credit Party makes a payment or payments to the Administrative Agent for the ratable benefit of the Lenders or the Administrative Agent receives any payment or proceeds of the Collateral which payments or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any Debtor Relief Law, other Applicable Law or equitable cause, then, to the extent of such payment or proceeds repaid, the Secured Obligations or part thereof intended to be satisfied shall be revived and continued in full force and effect as if such payment or proceeds had not been received by the Administrative Agent.

SECTION 12.8 Injunctive Relief. The Borrower recognizes that, in the event the Borrower fails to perform, observe or discharge any of its obligations or liabilities under this Agreement, any remedy of law may prove to be inadequate relief to the Lenders. Therefore, the Borrower agrees that the Lenders, at the Lenders' option, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

SECTION 12.9 Successors and Assigns; Participations.

a. Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Credit Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except: (i) to an Eligible Assignee in accordance with the provisions of clause (b) of this Section; (ii) by way of participation in accordance with the provisions of clause (d) of this Section; or (iii) by way of pledge or assignment of a security interest subject to the restrictions of clause (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in clause (d) of this Section, and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

b. Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Credit Commitment and the Loans at the time owing to it); provided that, in each case with respect to any Credit Facility, any such assignment shall be subject to the following conditions:

i. Minimum Amounts.

1. in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it (in each case with respect to any Credit Facility) or contemporaneous assignments to related Approved Funds (determined after giving effect to such assignments) that equal at least the amount specified in clause (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

2. in any case not described in clause (b)(i)(A) of this Section, the aggregate amount of the Commitments (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than $10,000,000 in the case of any assignment in respect of the Revolving Credit Facility, unless each of the Administrative Agent and, so long as no an Event of Default under Sections 10.1(a), 10.1(b), 10.1(h) or 10.1(i) has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided that the Borrower shall be deemed to have given its consent ten (10) Business Days after the date written notice thereof has been delivered by the assigning Lender (through the Administrative Agent) unless such consent is expressly refused by the Borrower prior to such tenth (10th) Business Day;

ii. Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate classes on a non-pro-rata basis;

iii. Required Consents. No consent shall be required for any assignment except to the extent required by clause (b)(i)(B) of this Section and, in addition:

1. the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless: (x) an Event of Default under Sections 10.1(a), 10.1(b), 10.1(h) or 10.1(i) has occurred and is continuing at the time of such assignment; (y) such assignment is to a Lender, an Affiliate of a Lender, or an Approved Fund; or (z) the assignment is made in connection with the primary syndication of the Credit Facility and during the period commencing on the Closing Date and ending on the date that is ninety (90) days following the Closing Date (provided that such assignees are not Disqualified Institutions (unless an Event of Default under Sections 10.1(h) or (i) has occurred and is continuing) and are determined in consultation with the Borrower and the Arranger); provided that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received written notice thereof;

2. the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of the Revolving Credit Facility if such assignment is to a Person that is not a Lender with a Revolving Credit Commitment, an Affiliate of such Lender, or an Approved Fund with respect to such Lender; and

3. the consents of the Issuing Lenders and the Swingline Lender (each such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the Revolving Credit Facility.

iv. Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500 for each assignment; provided that: (A) only one such fee will be payable in connection with simultaneous assignments to two or more related Approved Funds by a Lender; and (B) the Administrative Agent may, in its sole discretion, elect to

waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

v. No Assignment to Certain Persons. No such assignment shall be made to: (A) the Borrower or any of its Subsidiaries or Affiliates; or (B) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

vi. No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

vii. Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested from, but not funded by, the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to: (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the Issuing Lenders, the Swingline Lender and each other Lender hereunder (and interest accrued thereon); and (B) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Revolving Credit Commitment Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this clause, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to clause (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto), but shall continue to be entitled to the benefits of Sections 5.8, 5.9, 5.10, 5.11 and 12.3 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this clause (b) shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (d) of this Section (other than a purported assignment to a natural Person or the Borrower or any of the Borrower's Subsidiaries or Affiliates, which shall be null and void.)

c. Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in Charlotte, North Carolina, a copy of each Assignment and Assumption and each Lender Joinder Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amounts of (and stated interest on) the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender (but only to the extent of entries in the Register that are applicable to such Lender), at any reasonable time and from time to time upon reasonable prior notice.

d. Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person), or the Borrower or any of the Borrower's Subsidiaries or Affiliates) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that: (i) such Lender's obligations under this Agreement shall remain unchanged; (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (iii) the Borrower, the Administrative Agent, the Issuing Lender, the Swingline Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such

Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 12.3(c) with respect to any payments made by such Lender to its Participant(s).
Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 12.2(b), (c), (d) or (e) that directly and adversely affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 5.9, 5.10 and 5.11 (subject to the requirements and limitations therein, including the requirements under Section 5.11(g) (it being understood that the documentation required under Section 5.11(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section; provided that such Participant: (A) agrees to be subject to the provisions of Section 5.12 as if it were an assignee under clause (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 5.10 or 5.11, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 5.12(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.4 as though it were a Lender; provided that such Participant agrees to be subject to Section 5.6 as though it were a Lender.

Each participation sold by a Lender shall be issued and maintained at all times in "registered form" as that term is defined in Section 5f.103-1(c) of the United States Treasury Regulations. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts of (and stated interest on) each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

e. Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

f. Disqualified Institutions.

(i) No assignment or participation shall be made to any Person that was a Disqualified Institution as of the date (the "Trade Date") on which the assigning Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person (unless (A) the Borrower has consented to such assignment in writing in its sole and absolute discretion, or (B) an Event of Default under Section 10.1(h) or (i) exists and is continuing on the applicable Trade Date, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation). For the avoidance of doubt, with respect to any assignee that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of "Disqualified Institution"): (x) such assignee shall not retroactively be disqualified from becoming a Lender; and (y) the execution by the Borrower of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment in violation of this clause (i) shall not be void, but the other provisions of this clause (f) shall apply. The Credit Parties and the Lenders acknowledge and agree that the Administrative Agent will not have any responsibility or obligation to determine whether any assignee or a potential assignee is a Disqualified Institution and the Administrative Agent will have no liability with respect to any assignment made to a Disqualified Institution.

(ii) If any assignment or participation is made to any Disqualified Institution without the Borrower's prior written consent in violation of clause (i) above, or if any Person becomes a Disqualified Institution after the applicable Trade Date, then the Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the

Administrative Agent terminate any Revolving Credit Commitment of such Disqualified Institution and repay all obligations of the Borrower owing to such Disqualified Institution in connection with such Revolving Credit Commitment.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions: (A) will not: (x) have the right to receive information, reports or other materials provided to Lenders by the Borrower, the Administrative Agent or any other Lender; (y) attend or participate in meetings attended by the Lenders and the Administrative Agent; or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders; and (B)(x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter; and (y) for purposes of voting on any Plan, each Disqualified Institution party hereto hereby agrees: (I) not to vote on such Plan; (II) if such Disqualified Institution does vote on such Plan notwithstanding the restriction in the foregoing clause (I), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Plan in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other Debtor Relief Laws); and (III) not to contest any request by any party for a determination by the Bankruptcy Court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (II).

(iv) The Administrative Agent shall have the right, and the Borrower hereby expressly authorizes and directs the Administrative Agent, to: (A) post the list of Disqualified Institutions provided by the Borrower and any updates thereto from time to time (collectively, the "DQ List") on the Platform; and/or (B) provide the DQ List to each Lender requesting the same; provided that the Administrative Agent shall have no duty to monitor the DQ list and shall have no liability in connection therewith.

SECTION 12.10 Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the Issuing Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed: (a) to its Affiliates and to its and its Related Parties in connection with the Credit Facility, this Agreement, the transactions contemplated hereby or in connection with marketing of services by such Affiliate or Related Party to Borrower or any of its Subsidiaries (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent required or requested by, or required to be disclosed to, any regulatory or similar authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by Applicable Laws or regulations or in any legal, judicial, administrative or other compulsory process; (d) to any other party hereto; (e) in connection with the exercise of any remedies under this Agreement, under any other Loan Document or under any Secured Hedge Agreement or Secured Cash Management Agreement, or any action or proceeding relating to this Agreement, any other Loan Document or any Secured Hedge Agreement or Secured Cash Management Agreement, or the enforcement of rights hereunder or thereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section, to: (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement; (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder (it being understood that the DQ List may be disclosed to any assignee or Participant, or prospective assignee or Participant, in reliance on this clause (f)); (iii) to an investor or prospective investor in an Approved Fund that also agrees that Information shall be used solely for the purpose of evaluating an investment in such Approved Fund; (iv) to a trustee, collateral manager, servicer, backup servicer, noteholder or secured party in an Approved Fund in connection with the administration, servicing and reporting on the assets serving as collateral for an Approved Fund; or (v) to a nationally recognized rating agency that requires access to information regarding the Borrower and its Subsidiaries, the Loans, and the Loan Documents in connection with ratings issued with respect to an Approved Fund; (g) on a confidential basis to: (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the Credit Facility; or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Credit Facility; (h) with the consent of the Borrower, deal terms and other information customarily reported to Thomson Reuters, other bank market data collectors and similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of the Loan Documents; (i) to the extent such Information: (i) becomes publicly available other than as a result of a breach of this Section; or (ii) becomes available to the Administrative Agent, any Lender, any Issuing Lender or any of their respective Affiliates from a third party that is not, to such Person's knowledge, subject to confidentiality obligations to the Borrower; (j) to governmental regulatory authorities in connection with any regulatory examination of the Administrative Agent or any Lender or in accordance with the Administrative Agent's or any Lender's regulatory compliance policy if the Administrative Agent or such Lender deems necessary for the mitigation of claims by those authorities against the Administrative Agent or such Lender or any of its subsidiaries or affiliates; or (k) to the extent that such information is independently developed by such Person. For purposes of this Section, "Information"

means all information received from any Credit Party or any Subsidiary thereof relating to any Credit Party or any Subsidiary thereof or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any Issuing Lender on a nonconfidential basis prior to disclosure by any Credit Party or any Subsidiary thereof; provided that, in the case of information received from a Credit Party or any Subsidiary thereof after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 12.11 Performance of Duties. Each of the Credit Party's obligations under this Agreement and each of the other Loan Documents shall be performed by such Credit Party at its sole cost and expense.

SECTION 12.12 All Powers Coupled with Interest. All powers of attorney and other authorizations granted to the Lenders, the Administrative Agent and any Persons designated by the Administrative Agent or any Lender pursuant to any provisions of this Agreement or any of the other Loan Documents shall be deemed coupled with an interest and shall be irrevocable so long as any of the Obligations remain unpaid or unsatisfied, any of the Commitments remain in effect or the Credit Facility has not been terminated.

SECTION 12.13 Survival.

a. All representations and warranties set forth in Article VII and all representations and warranties contained in any certificate, or any of the Loan Documents (including, but not limited to, any such representation or warranty made in or in connection with any amendment thereto) shall constitute representations and warranties made under this Agreement. All representations and warranties made under this Agreement shall be made or deemed to be made at and as of the Closing Date (except those that are expressly made as of a specific date), shall survive the Closing Date and shall not be waived by the execution and delivery of this Agreement, any investigation made by or on behalf of the Lenders or any borrowing hereunder.

b. Notwithstanding any termination of this Agreement, the indemnities to which the Administrative Agent and the Lenders are entitled under the provisions of this Article XII and any other provision of this Agreement and the other Loan Documents shall continue in full force and effect and shall protect the Administrative Agent and the Lenders against events arising after such termination as well as before.

SECTION 12.14 Titles and Captions. Titles and captions of Articles, Sections and subsections in, and the table of contents of, this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

SECTION 12.15 Severability of Provisions. Any provision of this Agreement or any other Loan Document which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 12.16 Counterparts; Integration; Effectiveness; Electronic Execution.

a. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, the Issuing Lender, the Swingline Lender and/or the Arranger, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 6.1, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

b. Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 12.17 Term of Agreement. This Agreement shall remain in effect from the Closing Date through and including the date upon which the Discharge of the Obligations has occurred. Any such termination of this Agreement shall be deemed subject to the provision that this Agreement shall be reinstated if after such termination any portion of any payment in respect of the Obligations shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of any Credit Party, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Credit Party or any substantial part of its property, or otherwise, all as though such payment had not been made. No termination of this Agreement shall affect the rights and obligations of the parties hereto arising prior to such termination or in respect of any provision of this Agreement which survives such termination.

SECTION 12.18 USA PATRIOT Act; Anti-Money Laundering Laws. The Administrative Agent and each Lender hereby notifies the Borrower that pursuant to the requirements of the PATRIOT Act or any other Anti-Money Laundering Laws, each of them is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender to identify each Credit Party in accordance with the PATRIOT Act or such Anti-Money Laundering Law.

SECTION 12.19 Independent Effect of Covenants. The Borrower expressly acknowledges and agrees that each covenant contained in Articles VIII or IX hereof shall be given independent effect. Accordingly, the Borrower shall not engage in any transaction or other act otherwise permitted under any covenant contained in Articles VIII or IX, before or after giving effect to such transaction or act, the Borrower shall or would be in breach of any other covenant contained in Articles VIII or IX.

SECTION 12.20 No Advisory or Fiduciary Responsibility.

a. In connection with all aspects of each transaction contemplated hereby, each Credit Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) the facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's-length commercial transaction between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arranger and the Lenders, on the other hand, and the Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, each of the Administrative Agent, the Arranger and the Lenders is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for the Borrower or any of its Affiliates, stockholders, creditors or employees or any other Person; (iii) none of the Administrative Agent, the Arranger or the Lenders has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Loan Document (irrespective of whether any Arranger or Lender has advised or is currently advising the Borrower or any of its Affiliates on other matters) and none of the Administrative Agent, the Arranger or the Lenders has any obligation to the Borrower or any of its Affiliates with respect to the financing transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (iv) the Arranger and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from, and may conflict with, those of the Borrower and its Affiliates, and none of the Administrative Agent, the Arranger or the Lenders has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) the Administrative Agent, the Arranger and the Lenders have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Credit Parties have consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate.

b. Each Credit Party acknowledges and agrees that each Lender, the Arranger and any Affiliate thereof may lend money to, invest in, and generally engage in any kind of business with any of the Borrower, any Affiliate thereof, or any other Person that may do business with or own securities of any of the foregoing, all as if such Lender, Arranger or Affiliate thereof were not a Lender or Arranger or an Affiliate thereof (or an agent or any other person with any similar role under the Credit Facilities) and without any duty to account therefor to any other Lender, the Arranger, the Borrower or any Affiliate of the foregoing. Each Lender, the Arranger and any Affiliate thereof may accept fees and other consideration from the Borrower or any Affiliate thereof for services in connection with this Agreement, the Credit Facilities or otherwise without having to account for the same to any other Lender, the Arranger, the Borrower or any Affiliate of the foregoing.

SECTION 12.21 Inconsistencies with Other Documents. In the event there is a conflict or inconsistency between this Agreement and any other Loan Document, the terms of this Agreement shall control; provided that any provision of the

Security Documents which imposes additional burdens on the Borrower or any of its Subsidiaries or further restricts the rights of the Borrower or any of its Subsidiaries, or gives the Administrative Agent or Lenders additional rights, shall not be deemed to be in conflict or inconsistent with this Agreement and shall be given full force and effect.

SECTION 12.22 Acknowledgment and Consent to Bail-In of EEA Financial Institution. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

SECTION 12.23 Releases of Liens and Subsidiary Guarantors.

a. A Subsidiary Guarantor shall automatically be released from its obligations under the Guaranty Agreement and any other Loan Documents upon the consummation of any transaction permitted by this Agreement as a result of which such Subsidiary Guarantor ceases to be a Subsidiary; provided that, if so required by this Agreement, the Required Lenders (or such other percentage of the Lenders as required by this Agreement) shall have consented pursuant to Section 12.2 to such transaction and the terms of such consent shall not have provided otherwise. In connection with any termination or release pursuant to this Section 12.23, the Administrative Agent shall (and is hereby irrevocably authorized by each Lender to) execute and deliver to any Credit Party, at such Credit Party's expense, all documents that such Credit Party shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 12.23 shall be without recourse to or warranty by the Administrative Agent.

b. Further, the Administrative Agent shall, upon the written request of the Borrower, release any Subsidiary Guarantor from its obligations under the Guaranty Agreement if such Subsidiary Guarantor becomes an Excluded Subsidiary.

c. Upon (i) any disposition (other than any lease or license) by any Credit Party (other than to any Credit Party) of any Collateral in a transaction permitted under this Agreement or (ii) the effectiveness of any written consent of the Required Lenders (or such other percentage of Lenders as required by this Agreement) pursuant to Section 12.2 to the release of the security interest created under any Security Document in any Collateral, the security interests in such Collateral created by the Security Documents shall be automatically released.

d. In addition, the Administrative Agent shall, at the reasonable written request of the Borrower, subordinate any Lien on any Collateral to the holder of any Liens on such Collateral permitted under Section 9.2(i) to the extent required pursuant to the documentation governing such Lien.

e. In connection with any termination, release or subordination pursuant to this Section 12.23, the Administrative Agent shall execute and deliver to any Credit Party, at such Credit Party's expense, all documents that such Credit Party shall reasonably request to evidence such termination, release or subordination.

[*Signature pages to follow***]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal by their duly authorized officers, all as of the day and year first written above.

ICU MEDICAL, INC., a Delaware corporation,
as Borrower

By: /s/ Scott E.Lamb
Name: Scott E. Lamb
Title: Chief Financial Officer

AGENTS AND LENDERS:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swingline Lender, Issuing Lender and Lender

By: /s/Christopher M. Johnson
Name: Christopher M. Johnson
Title: Director

Bank of America, N.A., as a Lender

By: /s/ Sebastian Lurie
Name: Sebastian Lurie
Title: SVP

BANK OF THE WEST, as a Lender

By: /s/ Cecile Segovia
Name: Cecile Segovia
Title: Director

Compass Bank, as a Lender

By: /s/ Tim Dillingham
Name: Tim Dillingham
Title: Senior Vice President

CITIBANK, N.A., as a Lender

By: /s/ Timicka Anderson
Name: Timicka Anderson
Title: Vice President and Director

The Bank of Tokyo-Mitsubishi UFJ, Ltd., as a Lender

By: /s/ Scott O'Connell
Name: Scott O'Connell
Title: Director

U.S. Bank National Association, as a Lender

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

BARCLAYS BANK PLC, as a Lender

By: /s/Vanessa Kurbatskiy
Name: Vanessa Kurbatskiy
Title: Vice President

EXHIBIT A-1

FORM OF REVOLVING CREDIT NOTE

[_____],[] $[_____]

FOR VALUE RECEIVED, the undersigned (the "Borrower") hereby promises to pay on the Revolving Credit Maturity Date to [ ], or its registered assigns (the "Lender"), in accordance with the provisions of the Credit Agreement (as hereinafter defined), the principal amount of each Revolving Credit Loan from time to time made by the Lender to the Borrower under that certain Revolving Credit Agreement, dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined), among the Borrower, the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

The Borrower promises to pay interest on the unpaid principal amount of each Revolving Credit Loan from the date of such Revolving Credit Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Credit Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in U.S. Dollars in immediately available funds at the Administrative Agent's Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (for the avoidance of doubt, such unpaid amount shall bear interest before as well as after any judgment with respect thereto) computed at the per annum rate set forth in the Credit Agreement.

This Revolving Credit Note is one of the Notes referred to in the Credit Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Revolving Credit Note is also entitled to the benefits of the Guaranty Agreement, the Collateral Agreement, and each other Loan Document and is secured by the Collateral. Upon the occurrence and continuation of one or more of the Events of Default specified in the Credit Agreement (after the expiration of any applicable cure period), all amounts then remaining unpaid on this Revolving Credit Note shall become, or may be declared to be, immediately due and payable all as provided in the Credit Agreement. Revolving Credit Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Revolving Credit Note and endorse thereon the date, amount and maturity of its Revolving Credit Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Revolving Credit Note.

THIS REVOLVING CREDIT NOTE AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS REVOLVING CREDIT NOTE AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

The Indebtedness evidenced by this Revolving Credit Note is senior in right of payment to all subordinated Indebtedness referred to in the Credit Agreement.

ICU MEDICAL, INC.

By:
Name:
Title:

REVOLVING CREDIT LOANS AND PAYMENTS WITH RESPECT THERETO

Date	Type of Revolving Credit Loan Made	Amount of Revolving Credit Loan Made	End of Interest Period	Amount of Principal or Interest Paid This Date	Outstanding Principal Balance This Date	Notation Made by

EXHIBIT A-2

FORM OF SWINGLINE NOTE

[_____], [ ] $[_____]

FOR VALUE RECEIVED, the undersigned (the "Borrower") hereby promises to pay on the Revolving Credit Maturity Date to [ ], or its registered assigns (the "Lender"), in accordance with the provisions of the Credit Agreement (as hereinafter defined), the principal amount of each Swingline Loan from time to time made by the Lender to the Borrower under that certain Revolving Credit Agreement, dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined), among the Borrower, the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

The Borrower promises to pay interest on the unpaid principal amount of each Swingline Loan from the date of such Swingline Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Credit Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in U.S. Dollars in immediately available funds at the Administrative Agent's Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (for the avoidance of doubt, such unpaid amount shall bear interest before as well as after any judgment with respect thereto) computed at the per annum rate set forth in the Credit Agreement.

This Swingline Note is one of the Notes referred to in the Credit Agreement, is entitled to the benefits thereof and may be prepaid in whole or in part subject to the terms and conditions provided therein. This Swingline Note is also entitled to the benefits of the Guaranty Agreement, the Collateral Agreement, and each other Loan Document and is secured by the Collateral. Upon the occurrence and continuation of one or more of the Events of Default specified in the Credit Agreement (after the expiration of any applicable cure period), all amounts then remaining unpaid on this Swingline Note shall become, or may be declared to be, immediately due and payable all as provided in the Credit Agreement. Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Swingline Note and endorse thereon the date, amount and maturity of its Swingline Loans and payments with respect thereto.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Swingline Note.

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

The Indebtedness evidenced by this Swingline Note is senior in right of payment to all subordinated Indebtedness referred to in the Credit Agreement.

ICU MEDICAL, INC.

By:
Name:
Title:

SWINGLINE LOANS AND PAYMENTS WITH RESPECT THERETO

Date	Amount of Swingline Loan Made	Amount of Principal or Interest Paid This Date	Outstanding Principal Balance This Date	Notation Made by

EXHIBIT B

FORM OF NOTICE OF BORROWING

Date: _____, ____

To: WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent
MAC 01109-019
1525 W. W.T. Harris Blvd.
Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone No.: 704-590-2723
Facsimile No.: 704-715-0017

Ladies and Gentlemen:

Reference is made to that certain Revolving Credit Agreement, dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

The undersigned hereby requests a borrowing as follows:

1. On _____ (a Business Day).[1]

2. In the principal amount of $_____.[2]

3. Class of Loans: [Revolving Credit Loans] [Swingline Loans]

4. Comprised of:[3] o Base Rate Loans o LIBOR Rate Loans

5. For LIBOR Rate Loans: with an Interest Period of [one (1), two (2), three (3), six (6), or twelve (12)][4] months.

---

[1] Not later than (i) the same Business Day as the date of this Notice of Borrowing with respect to any Base Rate Loan or Swingline Loan, and (ii) at least three (3) Business Days after to the date of this Notice of Borrowing with respect to any LIBOR Rate Loan.

[2] (i) With respect to Base Rate Loans (other than Swingline Loans) in an aggregate principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof, (ii) with respect to LIBOR Rate Loans in an aggregate principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof, and (iii) with respect to Swingline Loans in an aggregate principal amount of $500,000 or a whole multiple of $100,000 in excess thereof.

[3] Swingline Loans must be Base Rate Loans.

[4] For requested 12 month Interest Period, if agreed to by all of the relevant Lenders and provided that the Borrower provides a Notice of Borrowing four (4) Business Days prior to the requested date of such borrowing.

[The representations and warranties contained in the Credit Agreement and the other Loan Documents are true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty is true and correct in all respects, on and as of the date of the Extension of Credit requested hereby (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty remains true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty is true and correct in all respects as of such earlier date][5]

[As of the date of the Extension of Credit requested hereby and immediately after giving effect thereto, no Default or Event of Default has occurred and is continuing.][6]

[No Lender is a Defaulting Lender] or [The Swingline Lender shall have no Fronting Exposure after giving effect to the Swingline Loan requested hereunder.][7]

[The Administrative Agent shall have received a Required Consent to such borrowing, issuance or credit extension][8]

(*Remainder of Page Intentionally Left Blank*)

---

5 To be included for each Extension of Credit after the Closing Date.

6 To be included for each Extension of Credit after the Closing Date.

7 To be included for each Extension of Credit consisting of a Swingline Loan.

8 To be included so long as there any amounts outstanding under the Pfizer Note, unless the proceeds of the borrowing are used to concurrently pay off the Pfizer Note.

ICU MEDICAL, INC.

By:
Name:
Title:

EXHIBIT C

FORM OF NOTICE OF ACCOUNT DESIGNATION

Date: _____, ____

To: WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent
MAC 01109-019
1525 W. W.T. Harris Blvd.
Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone No.: 704-590-2723
Facsimile No.: 704-715-0017

Ladies and Gentlemen:

This Notice of Account Designation is delivered by the Borrower to the Administrative Agent pursuant to Section 2.3(b) and Section 6.1(e)(i) of the Revolving Credit Agreement dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time; the terms defined therein and not otherwise defined herein being used herein as therein defined), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

1. The Administrative Agent is hereby authorized to disburse all Loan proceeds into the following account:

Bank Name:
ABA Routing Number:
Account Number:
Account Name:

2. This authorization shall remain in effect until revoked or until a subsequent Notice of Account Designation is provided to Administrative Agent.

(*Remainder of Page Intentionally Left Blank*)

IN WITNESS WHEREOF, the undersigned has executed this Notice of Account Designation this _____ day of _____, 20__.

ICU MEDICAL, INC.

By:
Name:
Title:

EXHIBIT D

FORM OF NOTICE OF PREPAYMENT

Date: _____, ____

To: WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent
MAC 01109-019
1525 W. W.T. Harris Blvd.
Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone No.: 704-590-2723
Facsimile No.: 704-715-0017

Ladies and Gentlemen:

Reference is hereby made to that certain Revolving Credit Agreement, dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

Pursuant to [Section 2.4(b)][Section 2.4(c)] of the Credit Agreement, the undersigned is hereby giving notice that the undersigned shall prepay certain Loans under the Credit Agreement as set forth below:

1. Date of prepayment: _____, ____ [9]

2. Class of Loans to prepay: [Revolving Credit Loans] [Swingline Loans]

3. Type of Loans to prepay: [Base Rate Loans] [LIBOR Rate Loans] [combination of Base Rate Loans and LIBOR Rate Loans]

4. If the Loans that are being prepaid are a combination of Base Rate Loans and LIBOR Rate Loans, the principal amount of prepayment allocable to Base Rate Loans is $_____ and the principal amount of prepayment allocable to LIBOR Rate Loans is $_____.

5. Aggregate principal amount of prepayment: $_____,[10] and will be accompanied by any loss or expense required to be paid pursuant to Section 5.9 of the Credit Agreement.

_____

[9] No earlier than (i) the same Business Day as of the date of this Notice of Prepayment with respect to any Base Rate Loan or any Swingline Loan (or such later time as approved by the Administrative Agent), and (ii) three (3) Business Days subsequent to the date of this Notice of Prepayment with respect to any LIBOR Rate Loan (or such later time as approved by the Administrative Agent).

[10] Partial prepayments shall be in an aggregate amount of $1,000,000 or a whole multiple of $100,000 in excess thereof with respect to Base Rate Loans (other than Swingline Loans); $1,000,000 or a whole multiple of $100,000 in excess thereof with respect to LIBOR Rate Loans; and $500,000 or a whole multiple of $100,000 in excess thereof with respect to Swingline Loans.

[This Notice of Prepayment is conditioned upon [_____], and may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the above specified date of prepayment) if such condition is not satisfied (provided that the failure of such condition to be satisfied shall not relieve the Borrower from its obligations in respect thereof under Section 5.9).][11]

(*Remainder of Page Intentionally Left Blank*)

[11] NTD: Only to be included if notice is conditional.

ICU MEDICAL, INC.

By:
Name:
Title:

EXHIBIT E

FORM OF NOTICE OF CONVERSION/CONTINUATION

Date: _____, ____

To: WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent
MAC 01109-019
1525 W. W.T. Harris Blvd.
Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone No.: 704-590-2723
Facsimile No.: 704-715-0017

Ladies and Gentlemen:

Pursuant to that certain Revolving Credit Agreement, dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, this represents the Borrower's irrevocable request to convert or continue Loans as follows:

1. Class of Loans to be converted or continued: Revolving Credit Loans

2. Date of conversion/continuation: , (a Business Day)[12]

3. Principal amount of Loans being converted/continued: $[13]

4. If any LIBOR Rate Loan is being converted or continued, the last day of the Interest Period therefor is:

5. Nature of conversion/continuation:

[ ] a. Conversion of Base Rate Loans to LIBOR Rate Loans

[ ] b. Conversion of LIBOR Rate Loans to Base Rate Loans

[ ] c. Continuation of LIBOR Rate Loans as such

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[12] In the case of (i) conversion of Base Rate Loans (other than Swingline Loans) into LIBOR Rate Loans, at any time following the third (3rd) Business Day after the Closing Date and (ii) (a) conversion of LIBOR Rate Loans into Base Rate Loans or (b) continuing LIBOR Rate Loans as such, the date of expiration of the Interest Period of such LIBOR Rate Loans.

[13] (i) All or any portion of any outstanding Base Rate Loans (other than Swingline Loans) in a principal amount equal to $1,000,000 or any whole multiple of $100,000 in excess thereof into one or more LIBOR Rate Loans; and (ii) all or any part of any outstanding LIBOR Rate Loans in a principal amount equal to $1,000,000 or a whole multiple of $100,000 in excess thereof into Base Rate Loans (other than Swingline Loans).

6. If Loans are being continued as or converted to LIBOR Rate Loans, the duration of the new Interest Period that commences on the conversion/continuation date is [one (1), two (2), three (3), six (6), or twelve (12)][14] month(s).

[The undersigned hereby certifies that no Default or Event of Default has occurred and is continuing.][15]

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[14] For requested 12 month Interest Period, if agreed to by all of the relevant Lenders and provided that the Borrower provides a Notice of Conversion/Continuation four (4) Business Days prior to the requested date of such conversion/continuation.

[15] To be included for any conversion to or continuance of LIBOR Rate Loans.

ICU MEDICAL, INC.

By:
Name:
Title:

EXHIBIT F

FORM OF OFFICER'S COMPLIANCE CERTIFICATE

Financial Statement Date: _____, ____

To: WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent
MAC 01109-019
1525 W. W.T. Harris Blvd.
Charlotte, North Carolina 28262
Attention: Syndication Agency Services
Telephone No.: 704-590-2723
Facsimile No.: 704-715-0017

Ladies and Gentlemen:

Reference is made to that certain Revolving Credit Agreement, dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein and not otherwise defined herein being used herein as therein defined), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

The undersigned Responsible Officer hereby certifies as of the date hereof that he/she is the [_____][16] of the Borrower, and that, as such, he/she is authorized to execute and deliver this Officer's Compliance Certificate (this "Certificate") to the Administrative Agent on behalf of the Borrower, and that:

*[Use following paragraph 1 for fiscal **year-end** financial statements]*

1. The Borrower has delivered the year-end audited financial statements required by Section 8.1(a) of the Credit Agreement for the Fiscal Year of the Borrower and its Subsidiaries ended as of the above date, together with the report and opinion of an independent certified public accounting firm as required by such section. Such financial statements have been prepared in accordance with GAAP and present fairly in all material respects the financial condition of the Borrower and its Subsidiaries on a Consolidated basis as of the above date and the results of operations of the Borrower and its Subsidiaries for such period then ended.

*[Use following paragraph 1 for fiscal **quarter-end** financial statements]*

1. The Borrower has delivered the unaudited financial statements required by Section 8.1(b) of the Credit Agreement for the fiscal quarter of the Borrower ended as of the above date. Such financial statements have been prepared in accordance with GAAP and present fairly in all material respects the financial condition of the Borrower on a Consolidated basis as of the above date and the results of operations of the Borrower for such period then ended, subject to normal year-end adjustments and the absence of footnotes.

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[16] Insert chief executive officer, chief financial officer, treasurer, or controller, as applicable.

2. To the best knowledge of the undersigned:

[select one:]

[during such fiscal period, no Default or Event of Default has occurred and is continuing.]

-or-

[during such fiscal period, the following is a list of each Default and Event of Default that has occurred and is continuing and its nature and status:]

3. The financial covenant analyses [calculated on a Pro Forma Basis, immediately after giving effect to (1) any Incremental Revolving Credit Commitment and (2) the making of any Incremental Revolving Credit Increase pursuant thereto][17] and information set forth on Schedule 1 attached hereto are true and accurate on and as of the date of this Certificate.

[4. The total aggregate initial principal amount (as of the date of incurrence thereof) of Incremental Revolving Credit Commitment and Incremental Revolving Credit Increase does not exceed the Incremental Facilities Limit.][18]

[4./5.] In the event of any conflict between the terms of this certificate and the Credit Agreement, the Credit Agreement shall control, and any Schedule attached to this executed certificate shall be revised as necessary to conform in all respects to the requirements of the Credit Agreement in effect as of the delivery of this executed certificate.

(*Remainder of Page Intentionally Left Blank*)

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[17] Include for Officer's Compliance Certificate delivered pursuant to Section 5.13(a)(i)(B).

[18] Include for Officer's Compliance Certificate delivered pursuant to Section 5.13(a)(i)(B).

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, _____.

ICU MEDICAL, INC.

By:
Name:
Title:

[For the fiscal quarter/Fiscal Year ended _____ (the "Statement Date")

SCHEDULE 1

to the Officer's Compliance Certificate

($ in 000's)

I. Section 9.13(a) - Consolidated Total Leverage Ratio.

A.		Consolidated Total Funded Indebtedness on the Statement Date:	$
	(i)	Indebtedness of the type described in clause (a) of the definition of "Indebtedness":	$
	(ii)	Indebtedness of the type described in clause (b) of the definition of "Indebtedness" (but excluding any obligations in respect of purchase price adjustments, earn-outs, holdbacks or deferred payments of a similar nature in connection with any Acquisition permitted under the Credit Agreement):	$
	(iii)	Indebtedness of the type described in clause (c) of the definition of "Indebtedness":	$
	(iv)	Indebtedness of the type described in clause (e) of the definition of "Indebtedness":	$
	(v)	Indebtedness of the type described in clause (f) of the definition of "Indebtedness" (limited to the amounts thereunder that have been drawn and not reimbursed):	$
	(vi)	Indebtedness of the type described in clause (g) of the definition of "Indebtedness":	$
	(vii)	Indebtedness of the type described in clause (i) of the definition of "Indebtedness" (but only to the extent relating to the foregoing clauses (i) through (vi) above):	$
B.		Consolidated Adjusted EBITDA for the period of four (4) consecutive fiscal quarters ending on or immediately prior to the Statement Date (the "Subject Period"):	
	(i)	Consolidated Net Income for the Subject Period:	$

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19 Determined on a Consolidated basis, without duplication, for the Borrower and its Subsidiaries.

20 Determined on a Consolidated basis, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP and to be calculated on a Pro Forma Basis.

(ii)	To the extent deducted in determining Consolidated Net Income for the Subject Period, the sum of:		$
	(a)	income and franchise Taxes:	$
	(b)	Consolidated Interest Expense:	$
	(c)	amortization, depreciation and other non-cash charges (except to the extent that such non-cash charges are reserved for cash charges to be taken in the future), including adjustments arising under purchase accounting for the Hospira Acquisition:	$
	(d)	extraordinary losses (excluding extraordinary losses from discontinued operations):	$
	(e)	non-cash stock option, restricted stock payments and other equity-based compensation expenses:	$
	(f)	Transaction Costs related to any issuance of Indebtedness permitted pursuant to Section 9.1 of the Credit Agreement (other than the issuance of Indebtedness pursuant to the Credit Agreement and the other Loan Documents):	$
	(g)	any remediation costs and restructuring costs (including severance and retention expenses), integration costs, and write-offs of intangibles in connection with a Permitted Acquisition, in each case with respect to such Permitted Acquisition, to the extent paid or made within twelve (12) months of the closing of such Permitted Acquisition, as applicable; provided that the aggregate amount added back pursuant to this item (g) during any period of four (4) consecutive fiscal quarters shall not exceed the greater of (i) 15% of Consolidated Adjusted EBITDA for such four quarter period and (ii) for each of the following four quarter periods ending: (a) December 31, 2017 and March 31, 2018, $85,000,000, (b) June 30, 2018 and September 30, 2018: $65,000,000, (c) December 31, 2018 and March 31, 2019: $45,000,000, (d) June 30, 2019 and September 30, 2019: $35,000,000, and (e) December 31, 2019: $15,000,000) (provided that there shall be no such add-backs pursuant to this clause (ii) after December 31, 2019):	$

		(h)	legal counsel fees incurred in connection with litigation items (related to the Hospira Acquisition) described on Schedule 1.1(b) to the Credit Agreement:	$
		(i)	amounts (other than legal counsel fees) incurred in connection with litigation items (related to the Hospira Acquisition) described on Schedule 1.1(b) to the Credit Agreement not to exceed $35,000,000 over the life of the Revolving Credit Facility:	$
		(j)	any expenses and amounts paid or advanced to the extent that a corresponding amount is received or has been received during or prior to the relevant measurement period in cash by the Borrower or any Subsidiary under any agreement or insurance policy providing for reimbursement of or indemnity for such expense or amount:	$
	(iii)		To the extent included in the determination of Consolidated Net Income for the Subject Period, the sum of:	$
		(a)	interest income:	$
		(b)	any extraordinary gains:	$
		(c)	non-cash gains or non-cash items increasing Consolidated Net Income:	$
	(iv)		Consolidated Adjusted EBITDA for the Subject Period (Line I.B(i) + Line I.B(ii) - Line I.B(iii)):	$
C.			Consolidated Total Leverage Ratio (Line I.A ÷ Line I.B(iv)):	____ : 1.00
D.			Maximum Permitted:	3.00: 1.00
E.			Covenant Compliant?	[YES/NO]

II. Section 9.13(b) - Consolidated Fixed Charge Coverage Ratio.[21]

A.			Consolidated Adjusted EBITDA (Line I.B(iv)):	$
B.			The sum of: [22]	

[21] Calculated on a Pro Forma Basis.

[22] In each case, during the Subject Period.

	(i)	Capital Expenditures (except to the extent funded with the proceeds of Indebtedness allowed to be incurred under Section 9.1(d)):		$
	(ii)	federal, state, local and foreign income Taxes paid in cash:		$
	(iii)	cash Restricted Payments made after the Closing Date:[23]		$
C.	Line II.A - Line II.B:			$
D.	Consolidated Fixed Charges for the Subject Period (the sum of):			
	(i)	Consolidated Interest Expense paid or payable in cash:		$
	(ii)	scheduled principal payments with respect to Indebtedness of the type described in:		$
		(a)	clause (a) of the definition of "Indebtedness":	$
		(b)	clause (b) of the definition of "Indebtedness" (but excluding any cash payments in respect of purchase price adjustment, earn-outs, holdbacks or deferred payments of a similar nature in connection with any Acquisition permitted under the Credit Agreement and excluding payments in respect of intercompany Indebtedness):	$
		(c)	clause (c) of the definition of "Indebtedness":	$
		(d)	clause (d) of the definition of "Indebtedness":	$
		(e)	clause (e) of the definition of "Indebtedness":	$
		(f)	clause (f) of the definition of "Indebtedness":	$
		(g)	clause (g) of the definition of "Indebtedness":	$
E.	Consolidated Fixed Charge Coverage Ratio (Line II.C ÷ Line II.D):			____ : 1.00
F.	Minimum Required			2.00 : 1.00
G.	Covenant Compliant?			[YES/NO]

[23] Line II.B.(iii) shall not include Restricted Payments on account of, or with respect to, any Equity Interests of any Subsidiary if made to the Borrower or any other Subsidiary except for Restricted Payments on account of, or with respect to, any Equity Interests of any Subsidiary that is a Credit Party if made to a Subsidiary that is not a Credit Party, unless and to the extent such Restricted Payment is then immediately distributed or dividended to a Credit Party, and (B) any Restricted Payments permitted pursuant to Sections 9.6(a), (d), (e), (f) or (h)).

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [the][each] [24] Assignor identified in item 1 below ([the][each, an] "Assignor") and [the][each][25] Assignee identified in item 2 below ([the][each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][26] hereunder are several and not joint.][27] Capitalized terms used but not defined herein shall have the meanings given to them in the Revolving Credit Agreement identified below (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by [the][each] Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below (including without limitation any letters of credit and guarantees included in such facilities), and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] "Assigned Interest"). Each such sale and assignment is without recourse to[the] [any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

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[24] For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

[25] For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

[26] Select as appropriate.

[27] Include bracketed language if there are either multiple Assignors or multiple Assignees.

1. Assignor[s]: *See Schedule 1 attached hereto*

2. Assignee[s]: *See Schedule 2 attached hereto*

3. Borrower: ICU MEDICAL, INC., a Delaware corporation

4. Administrative Agent: WELLS FARGO BANK, NATIONAL ASSOCIATION, as the administrative agent under the Credit Agreement

5. Credit Agreement: Revolving Credit Agreement dated as of [ ], 2017 among ICU MEDICAL, INC., a Delaware corporation, the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

6. Assigned Interest[s]: See Schedules 1 and 2 attached hereto

[7. Trade Date: _____][28]

(*Remainder of Page Intentionally Left Blank*)

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[28] To be completed if the Assignor and the Assignees intend that the minimum assignment amount is to be determined as of the Trade Date.

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S][29]

See Schedule 1 attached hereto

ASSIGNEE[S][30]

See Schedule 2 attached hereto

---

[29] Add additional signature blocks as needed.

[30] Add additional signature blocks as needed.

[Consented to and] [31] Accepted:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, Swingline Lender, Issuing Lender and Lender]

By:
Name:
Title:

[Consented to:

ICU MEDICAL, INC.][32]

By:
Name:
Title:

---

[31] To be added only if the consent of the Administrative Agent is required by the terms of Section 12.9 of the Credit Agreement.

[32] To be added only if the consent of the Borrower is required by the terms of Section 12.9 of the Credit Agreement.

SCHEDULE 1: ASSIGNORS

To Assignment and Assumption

By its execution of this Schedule, each Assignor identified on the signature block below agrees to the terms set forth in the attached Assignment and Assumption.

Assigned Interests:

Facility Assigned[33]	Aggregate Amount of Commitment/Loans for all Lenders[34]	Amount of Commitment/Loans Assigned[35]	Percentage Assigned of Commitment/Loans [36]	CUSIP Number
	$	$	%	
	$	$	%	
	$	$	%	

[*NAME OF ASSIGNOR*][37]
and [is] [is not] a Defaulting Lender

By:
Name:
Title:

[33] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment and Assumption (e.g. "Revolving Credit Commitment").

[34] Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[35] Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[36] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[37] Add additional signature blocks, as needed.

SCHEDULE 2: ASSIGNEES

To Assignment and Assumption

By its execution of this Schedule, each Assignee identified on the signature block below agrees to the terms set forth in the attached Assignment and Assumption.

Assigned Interests:

Facility Assigned [38]	Aggregate Amount of Commitment/Loans for all Lenders [39]	Amount of Commitment/Loans Assigned[40]	Percentage Assigned of Commitment/Loans[41]	CUSIP Number
	$	$	%	$
	$	$	%	

[*NAME OF ASSIGNEE*] [42]
[and is an Affiliate/Approved Fund of [*identify Lender*][43]

By:
Name:
Title:

[38] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment and Assumption (e.g. "Revolving Credit Commitment").

[39] Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[40] Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[41] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[42] Add additional signature blocks, as needed.

[43] Select as applicable.

ANNEX 1

To Assignment and Assumption

ICU MEDICAL, INC. CREDIT AGREEMENT

DATED AS OF [ ], 2017

STANDARD TERMS AND CONDITIONS FOR

ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 12.9(b)(iii), (v) and (vi) of the Credit Agreement (subject to such consents, if any, as may be required under Section 12.9(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 8.1 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the] [such] Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the] [such] Assigned Interest, and (vii) attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the] [such] Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, [the] [any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the] [each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the] [the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the] [the relevant] Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the] [the relevant] Assignee.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Assignment and Assumption and the transactions contemplated hereby shall be governed by, and construed in accordance with, the law of the State of New York.

EXHIBIT H-1

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(Non-Partnership Foreign Lenders)

Reference is hereby made to the Revolving Credit Agreement dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent. Capitalized terms used but not defined herein shall have the meaning ascribed to those terms in the Credit Agreement.

Pursuant to the provisions of Section 5.11 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (v) no payments in connection with any Loan Document are effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished the Borrower and the Administrative Agent with a certificate of its non-U.S. Person status on an applicable IRS Form W-8 (e.g., IRS Form W-8BEN or IRS Form W-8BEN-E). By executing this certificate, the undersigned agrees that (a) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (b) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two (2) calendar years preceding such payments. For the avoidance of doubt, such a certificate described in (b) of the preceding sentence shall be updated and provided by the undersigned to the Borrower and the Administrative Agent prior to the next applicable payment date following a change described in (a) of the preceding sentence.

(*Remainder of Page Intentionally Left Blank*)

[NAME OF LENDER]

By:
Name:
Title:

Date: _____ __, 20___

EXHIBIT H-2

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(Non-Partnership Foreign Participants)

Reference is hereby made to the Revolving Credit Agreement dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent. Capitalized terms used but not defined herein shall have the meaning ascribed to those terms in the Credit Agreement.

Pursuant to the provisions of Section 5.11 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (v) no payments in connection with any Loan Document are effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on an applicable IRS Form W-8 (e.g., IRS Form W-8BEN or IRS Form W-8BEN-E). By executing this certificate, the undersigned agrees that (a) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (b) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two (2) calendar years preceding such payments. For the avoidance of doubt, such a certificate described in (b) of the preceding sentence shall be updated and provided by the undersigned to its participating Lender prior to the next applicable payment date following a change described in (a) of the preceding sentence.

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[NAME OF PARTICIPANT]

By:
Name:
Title:

Date: _____ __, 20___

EXHIBIT H-3

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(Foreign Participant Partnerships)

Reference is hereby made to the Revolving Credit Agreement dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent. Capitalized terms used but not defined herein shall have the meaning ascribed to those terms in the Credit Agreement.

Pursuant to the provisions of Section 5.11 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members claiming the portfolio interest exemption (its "Applicable Partners/Members") is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its Applicable Partners/Members is a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its Applicable Partners/Members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (vi) no payments in connection with any Loan Document are effectively connected with the conduct of a U.S. trade or business by the undersigned or any of its Applicable Partners/Members.

The undersigned has furnished its participating Lender with an IRS Form W-8IMY accompanied by (1) a withholding statement prepared in accordance with the U.S. Treasury Regulations; and (2) one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E; or (ii) an IRS Form W-8IMY, which shall in turn be accompanied by a withholding statement prepared in accordance with the U.S. Treasury Regulations, along with an applicable IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (a) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (b) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two (2) calendar years preceding such payments. For the avoidance of doubt, such a certificate described in (b) of the preceding sentence shall be updated and provided by the undersigned to its participating Lender prior to the next applicable payment date following a change described in (a) of the preceding sentence.

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[NAME OF PARTICIPANT]

By:
Name:
Title:

Date: _____ __, 20___

EXHIBIT H-4

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

(Foreign Lender Partnerships)

Reference is hereby made to the Revolving Credit Agreement dated as of [ ], 2017 (as amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent. Capitalized terms used but not defined herein shall have the meaning ascribed to those terms in the Credit Agreement.

Pursuant to the provisions of Section 5.11 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members claiming the portfolio interest exemption (its "Applicable Partners/Members") is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its Applicable Partners/Members is a "10-percent shareholder" of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its Applicable Partners/Members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code, and (vi) no payments in connection with any Loan Document are effectively connected with the conduct of a U.S. trade or business by the undersigned or any of its Applicable Partners/Members.

The undersigned has furnished the Borrower and the Administrative Agent with an IRS Form W-8IMY accompanied by (1) a withholding statement prepared in accordance with the U.S. Treasury Regulations; and (2) one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E; or (ii) an IRS Form W-8IMY, which shall in turn be accompanied by a withholding statement prepared in accordance with the U.S. Treasury Regulations, along with an applicable IRS Form W-8BEN or IRS Form W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (a) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (b) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two (2) calendar years preceding such payments. For the avoidance of doubt, such a certificate described in (b) of the preceding sentence shall be updated and provided by the undersigned to the Borrower and the Administrative Agent prior to the next applicable payment date following a change described in (a) of the preceding sentence.

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[NAME OF LENDER]

By:
Name:
Title:

Date: _____ __, 20___

EXHIBIT I

FORM OF SOLVENCY CERTIFICATE

[ ], 201_

Pursuant to Section 6.1(d)(ii) of Revolving Credit Agreement, dated as of the date hereof (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among ICU MEDICAL, INC., a Delaware corporation (the "Borrower"), the Lenders from time to time party thereto, and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, [_____], the undersigned [chief financial officer] [other officer with equivalent duties] of the Borrower hereby certifies as of the date hereof, solely on behalf of the Borrower and not in my individual capacity and without assuming any personal liability whatsoever, that:

1. I am familiar with the finances, properties, businesses and assets of the Borrower and its Subsidiaries. I have reviewed the Loan Documents and such other documentation and information and have made such investigation and inquiries as I have deemed necessary and prudent therefor. I have also reviewed the consolidated financial statements of the Borrower and its Subsidiaries, including projected financial statements and forecasts relating to income statements and cash flow statements of the Borrower and its Subsidiaries.

2. On the Closing Date, after giving pro forma effect to the Transactions, the Borrower and its Subsidiaries (on a consolidated basis): (a) have assets with fair value greater than the fair value of their liabilities, contingent (it being understood that the amount of contingent liabilities at any time shall be computed as the amount that, in 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), subordinated or otherwise; (b) have assets with present fair salable value greater than the amount that will be required to pay their liability on their debts and liabilities, subordinated, contingent or otherwise, as they become absolute and matured; (c) will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as they become absolute and matured in the ordinary course of business; and (d) are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which their property would constitute an unreasonably small capital.

All capitalized terms used but not defined in this certificate shall have the meanings set forth in the Credit Agreement.

[*SIGNATURE PAGE TO FOLLOW*]

IN WITNESS WHEREOF, I have executed this Certificate as of the date first written above.

ICU MEDICAL, Inc.

By: _____
Name:
Title:

EXHIBIT J

FORM OF PERFECTION CERTIFICATE

To be provided under separate cover

EXHIBIT K

FORM OF PERFECTION CERTIFICATE SUPPLEMENT

To be provided under separate cover

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Vivek Jain, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ICU Medical, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017

/s/ Vivek Jain

Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Scott E. Lamb, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ICU Medical, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017

/s/ Scott E. Lamb

Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of ICU Medical, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Vivek Jain, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 9, 2017

/s/ Vivek Jain

Vivek Jain

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of ICU Medical, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Scott E. Lamb, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 9, 2017

/s/ Scott E. Lamb

Scott E. Lamb