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

# FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the fiscal year ended December 31, 2020**
**OR**
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the transition period from_____ to _____**

| Commission File Number | Registrant; State of Incorporation; Address and Telephone Number | IRS Employer Identification No. |
|---|---|---|
| **1-11178** | **Revlon, Inc.**<br>Delaware<br>One New York Plaza<br>New York, New York 10004<br>212-527-4000 | 13-3662955 |
| **33-59650** | **Revlon Consumer Products Corporation**<br>Delaware<br>One New York Plaza<br>New York, New York 10004<br>212-527-4000 | 13-3662953 |

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

| | Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|---|
| **Revlon, Inc.** | Class A Common Stock | REV | New York Stock Exchange |
| **Revlon Consumer Products Corporation** | None | N/A | N/A |

Indicate by check mark if the registrants are a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark whether the registrants (1) have 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 registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

| | | |
|---|---|---|
| **Revlon, Inc.** | Yes ☒ | No ☐ |
| **Revlon Consumer Products Corporation** | Yes ☐ | No ☒ |

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

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

| | Large accelerated filer | Accelerated filer | Non-accelerated filer | Smaller Reporting Company | Emerging Growth Company |
|---|---|---|---|---|---|
| **Revlon, Inc.** | Yes ☐ No ☒ | Yes ☒ No ☐ | Yes ☐ No ☒ | Yes ☒ No ☐ | Yes ☐ No ☒ |
| **Revlon Consumer Products Corporation** | Yes ☐ No ☒ | Yes ☐ No ☒ | Yes ☒ No ☐ | Yes ☒ No ☐ | Yes ☐ No ☒ |

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

Indicate by check mark whether each registrant is a shell company (as defined in Rule 12b-2 of the Act).

| | | |
|---|---|---|
| **Revlon, Inc.** | Yes ☐ | No ☒ |
| **Revlon Consumer Products Corporation** | Yes ☐ | No ☒ |

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

| | | |
|---|---|---|
| **Revlon, Inc.** | Yes ☒ | No ☐ |
| **Revlon Consumer Products Corporation** | Yes ☐ | No ☒ |

The aggregate market value of Revlon, Inc. Class A Common Stock held by non-affiliates (using the New York Stock Exchange closing price as of June 30, 2020, the last business day of the registrant's most recently completed second fiscal quarter) was approximately $70,319,641. Accordingly, the registrant qualifies under the SEC's revised rules as a "smaller reporting company."

Number of shares of common stock outstanding as of December 31, 2020:

| | |
|---|---|
| **Revlon, Inc. Class A Common Stock:** | 53,338,318 |
| **Revlon Consumer Products Corporation Common Stock:** | 5,260 |

At such date, (i) 46,223,321 shares of Revlon, Inc. Class A Common Stock were beneficially owned by MacAndrews & Forbes Incorporated and certain of its affiliates; and (ii) all shares of Revlon Consumer Products Corporation ("Products Corporation") Common Stock were held by Revlon, Inc.

Products Corporation meets the conditions set forth in General Instructions H(1)(a) and (b) of Form 10-K as, among other things, all of Products Corporation's equity securities are owned directly by Revlon, Inc., which is a reporting company under the Securities Exchange Act of 1934, as amended, and which filed with the SEC on March 11, 2021 all of the material required to be filed pursuant to Section 13, 14 or 15(d) thereof. Products Corporation is therefore filing this Form 10-K with a reduced disclosure format applicable to Products Corporation.

**DOCUMENTS INCORPORATED BY REFERENCE**

**Portions of Revlon, Inc.'s definitive Proxy Statement to be delivered to stockholders in connection with its Annual Stockholders' Meeting to be held on or about June 3, 2021 are incorporated by reference into Part III of this Form 10-K.**

**REVLON, INC. AND SUBSIDIARIES**
**REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES**
**For the Year Ended December 31, 2020**
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**REVLON, INC. AND SUBSIDIARIES**

**PART I - FINANCIAL INFORMATION**

## Item 1. Business

### Background

Revlon, Inc. ("Revlon" and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation") and its subsidiaries. Revlon is an indirect majority-owned subsidiary of MacAndrews & Forbes Incorporated (together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation beneficially owned by Ronald O. Perelman. Mr. Perelman is Chairman of Revlon's and Products Corporation's Board of Directors.

The Company was founded over 89 years ago by Charles Revson, who revolutionized the cosmetics industry by introducing nail enamels matched to lipsticks in fashion colors. Today, the Company continues Revson's legacy by producing and marketing innovative products that address consumers' wants and needs for beauty and personal care products.

The Company is a leading global beauty company with an iconic portfolio of brands. The Company develops, manufactures, markets, distributes and sells worldwide an extensive array of beauty and personal care products, including color cosmetics, hair color, hair care and hair treatments, fragrances, skin care, beauty tools, men’s grooming products, anti-perspirant deodorants and other beauty care products across a variety of distribution channels. The Company is entrepreneurial, agile and boldly creative, with a passion for beauty. The Company has a diverse portfolio of iconic brands that it continues to evolve and transform, with the goal of inspiring and attracting consumers around the world wherever and however they shop for beauty. The Company is committed to operating as an ethical business and driving sustainable and responsible growth.

### Business Strategy

The Company remains focused on its 3 key strategic pillars to drive its future success and growth. First, strengthening its iconic brands through innovation and relevant product portfolios; second, building its capabilities to better communicate and connect with its consumers through media channels where they spend the most time; and third, ensuring availability of its products where consumers shop, both in-store and increasingly online. The Company also continues to deliver against the objectives of the Revlon 2020 Restructuring Program, which includes rightsizing our organization with the objectives of driving improved profitability, cash flow and liquidity. The Company is also managing the business to conserve cash and liquidity, as well as focusing on stabilizing the business, growing e-commerce and preparing the foundation for achieving future growth.

### Strategic Review

In August 2019, it was disclosed that MacAndrews & Forbes and the Company determined to explore strategic transactions involving the Company and third parties. This review is ongoing and remains focused on exploring potential options for the Company's portfolio and regional brands (the “Strategic Review”).

### Financial Information about Operating Segments

Operating segments include components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker (the Company's "Chief Executive Officer") in deciding how to allocate resources and in assessing the Company's performance. As a result of the similarities in the procurement, manufacturing and distribution processes for the Company’s products, much of the information provided in the Audited Consolidated Financial Statements and provided in the segment table below is similar to, or the same as, that reviewed on a regular basis by the Company's Chief Executive Officer. The Company operates in four brand-centric reporting units that are aligned with its organizational structure based on four global brand teams: Revlon; Elizabeth Arden; Portfolio; and Fragrances. The Company manufactures, markets and sells an extensive array of beauty and personal care products worldwide, including color cosmetics; fragrances; skin care; hair color, hair care and hair treatments; beauty tools; men's grooming products; anti-perspirant deodorants; and other beauty care products.

As of December 31, 2020, the Company’s operations are organized into the following reportable segments:

- ***Revlon*** - The Revlon segment is comprised of the Company's flagship Revlon brands. Revlon segment products are primarily marketed, distributed and sold in the mass retail channel, large volume retailers, chain drug and food stores, chemist shops, hypermarkets, general merchandise stores, e-commerce sites, television shopping, department stores, professional hair and nail salons, one-stop shopping beauty retailers and specialty cosmetic

stores in the U.S. and internationally under brands such as **Revlon** in color cosmetics; **Revlon ColorSilk** and **Revlon Professional** in hair color; and **Revlon** in beauty tools.

- ***Elizabeth Arden*** - The Elizabeth Arden segment is comprised of the Company's Elizabeth Arden branded products. The Elizabeth Arden segment markets, distributes and sells fragrances, skin care and color cosmetics primarily to prestige retailers, department and specialty stores, perfumeries, boutiques, e-commerce sites, the mass retail channel, travel retailers and distributors, as well as direct sales to consumers via its Elizabeth Arden branded retail stores and elizabetharden.com e-commerce website, in the U.S. and internationally, under brands such as **Elizabeth Arden Ceramide, Prevage, Eight Hour, SUPERSTART, Visible Difference** and **Skin Illuminating** in the Elizabeth Arden skin care brands; and **Elizabeth Arden White Tea, Elizabeth Arden Red Door, Elizabeth Arden 5th Avenue** and **Elizabeth Arden Green Tea** in Elizabeth Arden fragrances.
- ***Portfolio*** - The Company’s Portfolio segment markets, distributes and sells a comprehensive line of premium, specialty and mass products primarily to the mass retail channel, hair and nail salons and professional salon distributors in the U.S. and internationally and large volume retailers, specialty and department stores under brands such as **Almay** and **SinfulColors** in color cosmetics; **American Crew** in men’s grooming products (which are also sold direct-to-consumer on its americancrew.com website); **CND** in nail polishes, gel nail color and nail enhancements; **Cutex** nail care products; and **Mitchum** in anti-perspirant deodorants. The Portfolio segment also includes a multi-cultural hair care line consisting of **Creme of Nature** hair care products, which are sold in both professional salons and in large volume retailers and other retailers, primarily in the U.S.; and a hair color line under the **Llongueras** brand (licensed from a third party) that is sold in the mass retail channel, large volume retailers and other retailers, primarily in Spain.
- ***Fragrances*** - The Fragrances segment includes the development, marketing and distribution of certain owned and licensed fragrances, as well as the distribution of prestige fragrance brands owned by third parties. These products are typically sold to retailers in the U.S. and internationally, including prestige retailers, specialty stores, e-commerce sites, the mass retail channel, travel retailers and other international retailers. The owned and licensed fragrances include brands such as: (i) **Juicy Couture** (which are also sold direct-to-consumer on its juicycouturebeauty.com website), **John Varvatos** and **AllSaints** in prestige fragrances; (ii) **Britney Spears**, **Elizabeth Taylor**, **Christina Aguilera**, **Jennifer Aniston** and **Mariah Carey** in celebrity fragrances; and (iii) **Curve, Giorgio Beverly Hills**, **Ed Hardy**, **Charlie**, **Lucky Brand**, **‹PS›** (logo of former Paul Sebastian brand), **Alfred Sung**, **Halston**, **Geoffrey Beene** and **White Diamonds** in mass fragrances.

For certain information regarding the Company's segments' performance, foreign and domestic operations and classes of similar products, refer to Note 16, "Segment Data and Related Information," to the Company’s Audited Consolidated Financial Statements in this Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (the "2020 Form 10-K").

**REVLON, INC. AND SUBSIDIARIES**

## Products

The following table sets forth the Company's principal brands that are included in its Revlon, Elizabeth Arden, Portfolio and Fragrances segments by product category:

| Segment | COSMETICS | HAIR | MEN'S GROOMING | BEAUTY TOOLS | FRAGRANCES | | ANTI-PERSPIRANT DEODORANTS | SKIN CARE / BODY CARE |
|---|---|---|---|---|---|---|---|---|
| | | | | | Owned | Licensed* | | |
| **Revlon** | Revlon | Revlon ColorSilk | | Revlon | | | | |
| | Revlon ColorStay | Revlon Professional | | | | | | |
| **Elizabeth Arden** | Elizabeth Arden | | | | Elizabeth Arden White Tea | | | Visible Difference |
| | | | | | Elizabeth Arden 5th Avenue | | | Elizabeth Arden Ceramide |
| | | | | | Elizabeth Arden Green Tea | | | Elizabeth Arden Pro |
| | | | | | Elizabeth Arden Red Door | | | Prevage |
| | | | | | Elizabeth Arden Always Red | | | Skin Illuminating |
| | | | | | | | | Eight Hour |
| | | | | | | | | SUPERSTART |
| **Portfolio** | CND | Creme of Nature | American Crew | | | | Mitchum | Gatineau |
| | Almay | Intercosmo | d:fi | | | | | |
| | SinfulColors | Orofluido | | | | | | |
| | Cutex | Llongueras* | | | | | | |
| **Fragrances** | | | | | Curve | Juicy Couture | | |
| | | | | | Giorgio Beverly Hills | John Varvatos | | |
| | | | | | Charlie | AllSaints | | |
| | | | | | Halston | Britney Spears | | |
| | | | | | Jean Naté | Christina Aguilera | | |
| | | | | | ‹PS›** | Elizabeth Taylor | | |
| | | | | | White Diamonds | Jennifer Aniston | | |
| | | | | | | Mariah Carey | | |
| | | | | | | Alfred Sung | | |
| | | | | | | Ed Hardy | | |
| | | | | | | Lucky Brand | | |
| | | | | | | Geoffrey Beene | | |

*Licensed from a third party

** Logo of former Paul Sebastian brand.

**REVLON, INC. AND SUBSIDIARIES**

The Company operates in four operating segments: Revlon; Elizabeth Arden; Portfolio; and Fragrances, which represent the Company's four reporting segments. For certain information regarding the Company's segments and domestic and foreign operations, refer to Note 16, "Segment Data and Related Information," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K. Further information on the Company's brands by segment appears below.

*Revlon Segment*:

The Company's Revlon segment includes cosmetics, hair color and hair care, beauty tools and skin care products sold in approximately 150 countries in the mass retail channel, large volume retailers, chain drug and food stores, chemist shops, hypermarkets, general merchandise stores, e-commerce sites, television shopping, department stores, professional hair and nail salons, one-stop shopping beauty retailers and specialty cosmetics stores in the U.S. and internationally.

Cosmetics - The Company manufactures and markets a broad range of cosmetics, including face, lip, eye and nail products. Certain of the Company's products incorporate patented, patent-pending or proprietary technology into their production, formulation or design. See "Research and Development" for more information.

- **Revlon**: The Company sells a broad range of cosmetics under its flagship **Revlon** brand, which are designed to fulfill consumer wants and needs and are principally priced in the upper range for large volume retailers. The **Revlon** brand is comprised of face makeup, including foundation, powder, blush and concealers; lip makeup, including lipstick, lip gloss and lip liner; eye makeup, including mascaras, eyeliners, eye shadows and brow products; and nail color and nail care lines. **Revlon** products include innovative formulas and attractive colors that appeal to a wide range of consumers. The following are the key brands within the **Revlon** segment:
  - **Revlon ColorStay** offers consumers a full range of products with long-wearing technology in face, lip, and eye;
  - **Revlon PhotoReady** products that are offered in face and eye makeup and are designed with innovative photochromatic pigments that bend and reflect light to give a flawless, airbrushed appearance in any light;
  - **Revlon Age Defying**, which consists of face makeup for women in the over-35 age bracket, with ingredients to help reduce the appearance of fine lines and wrinkles;
  - **Revlon Ultra HD**, which is a liquid-based lip color offered globally; and
  - **Revlon Super Lustrous**, which is the Company's flagship wax-based lip color and is offered in a wide variety of shades of lipstick and lip gloss;

Hair - The Company sells hair color, hair care and hair treatment products primarily under the Company's **Revlon ColorSilk** and **Revlon Professional** franchises.

- **Revlon ColorSilk** hair color and hair care products are sold throughout the world in the mass retail channel to large volume retailers and other retailers and provide radiant, long-lasting color that leaves hair nourished, hydrated and ultra-conditioned.
- **Revlon Professional** includes hair color, hair care and hair treatment products that are distributed exclusively to professional salons, salon professionals and salon distributors and are sold in more than 85 countries. **Revlon Professional** is synonymous with innovation, fashion and technology to service the most creative salon professionals and their clients. **Revlon Professional** salon hair color and hair care products include **Revlonissimo**, **Eksperience**, **Nutri Color Creme**, **UniqOne** and **Revlon Professional Equave**.

Beauty tools - The Company sells **Revlon** beauty tools, which include nail, eye and manicure and pedicure grooming tools, eye lash curlers and a full line of makeup brushes under the **Revlon** brand name.

*Elizabeth Arden Segment*:

The Elizabeth Arden segment is comprised of the Company's Elizabeth Arden branded products. The Elizabeth Arden segment markets, distributes and sells fragrances, skin care and color cosmetics primarily to prestige retailers, department and specialty stores, perfumeries, boutiques, e-commerce sites, the mass retail channel, travel retailers and distributors, as well as direct sales to consumers via its Elizabeth Arden branded retail stores and elizabetharden.com e-commerce website, in the U.S. and internationally.

The Elizabeth Arden segment is comprised of skin care, color cosmetics and fragrances under the **Elizabeth Arden** brand, including the following:

Skin Care: Elizabeth Arden sells skin care and color cosmetics products including **Visible Difference**, **Ceramide**, **SUPERSTART**, **Prevage**, **Eight Hour** and **Skin Illuminating**.

Fragrances: The Elizabeth Arden segment produces fragrances including **Elizabeth Arden 5th Avenue, Elizabeth Arden White Tea, Elizabeth Arden Red Door** and **Elizabeth Arden Green Tea**.

*Portfolio Segment*:

The Company's Portfolio segment includes a comprehensive lineup of products sold to hair and nail salons and professional salon distributors, including hair color, shampoos, conditioners, styling products, nail polishes and nail enhancements. The Portfolio segment also includes a multi-cultural line of products sold in both professional salons, large volume retailers and mass retailers.

- **American Crew** and **d:fi**: The Company sells men's styling, hair care, and other grooming products for use and sale by professional salons and barber shops under the **American Crew** brand name. The brand is also distributed in select retailers, both on and offline. In 2020, the **American Crew** brand introduced a new Lather Shave Cream, Finishing Spray, and Detox Shampoo, as well as relaunched three other formulas within its extensive hair care line of shampoos and conditioners. **American Crew** is the "Official Supplier to Men" of quality grooming products that provide the ultimate usage experience and enhance a man's personal image. **American Crew** is the leading salon brand created specifically for men and is sold in more than 70 countries (as well as being sold direct-to-consumer on its americancrew.com website). The Company also sells unisex hair products under the **d:fi** brand, which is a value-priced full line of cleansing, conditioning and styling products.
- **Almay**: The Company's **Almay** brand consists of hypo-allergenic, dermatologist-tested, fragrance-free cosmetics and skin care products. The **Almay** brand is comprised of face makeup, including foundation, pressed powder, primer and concealer; eye makeup, including eye shadows, mascaras and eyeliners; lip makeup; and makeup removers. Key brands within **Almay** include **Almay Smart Shade** in face; **Almay One Coat** in eye; and **Almay Color + Care** in lip. The **Almay** brand also has a significant makeup remover business under the core **Almay** brand name.
- **SinfulColors**: In addition to color cosmetics under **SinfulColors**, the Company's **SinfulColors** brand consists primarily of value-priced nail enamels, available in many bold, vivid and on-trend colors.
- **Cutex**: The Company's **Cutex** brand consists of a full range of nail care products, including nail polish remover, nail enamels, nail tools and hand and nail care treatments.
- **CND**: The Company sells nail enhancement systems, nail polishes, gel nail color, treatment products, nail service accessories, electronics, SPA products and services for use by the professional nail salon industry under the **CND** brand name. CND-branded professional nail, hand and foot care products are sold in more than 50 countries. CND nail products include:
    - **CND Shellac** brand 14+ day nail color system, which delivers 14+ days of flawless wear, superior color and mirror shine with zero dry-time and no nail damage. The **CND Shellac** system is a true innovation in chip-free, extended-wear nail color.
    - **CND Vinylux** weekly polish, a breakthrough nail polish that uses a patent-pending technology and lasts approximately a week. While ordinary polishes become brittle and deteriorate over time, **CND Vinylux** dries with exposure to natural light to a flawless finish and strengthens its resistance to chips over time.
    - In 2020, CND launched the CND PLEXIGEL brand in nail color and nail care. Further key brands within CND include: CND Brisa Sculpting Gel, CND Retention+, CND Radical Solarnail, CND LED Lamp, CND SPA and CND Scentsations.
- **Mitchum**: The Company's **Mitchum** brand consists of anti-perspirant deodorant products for men and women, with patented ingredients that provide consumers with up to 48 hours of protection.
- The Company sells professional hair products under brand names such as **Orofluido** and **Intercosmo**, as well as under the premium priced **Llongueras** brand (licensed from a third party) in Spain. Multi-cultural hair-care products are sold under the **Creme of Nature** brand, primarily in the U.S., to professional salons, large volume retailers and other retailers.
- The Company also sells certain skin care products in the U.S. and internationally under various regional brands, including the Company's **Gatineau** brand.

*Fragrances Segment*:

The Company's Fragrances segment includes the development, marketing and distribution of certain owned and licensed fragrances. These products are typically sold to retailers in the U.S. and internationally, including prestige retailers, specialty stores, e-commerce sites, the mass retail channel, travel retailers and other international retailers. The owned and licensed fragrances include brands such as : (i) **Juicy Couture** (which are also sold direct-to-consumer on its juicycouturebeauty.com website), **John Varvatos** and **AllSaints** in prestige fragrances; (ii) **Britney Spears**, **Elizabeth Taylor**, **Christina Aguilera**, **Jennifer Aniston** and **Mariah Carey** in celebrity fragrances; and (iii) **Curve, Giorgio Beverly Hills**, **Ed Hardy**, **Charlie**, **Lucky Brand**, **‹PS›** (logo of former Paul Sebastian brand), **Alfred Sung**, **Halston**, **Geoffrey Beene** and **White Diamonds** in mass fragrances.

The Company also distributes approximately 70 additional prestige fragrance brands owned by third parties. These products are typically sold to retailers in the U.S. and internationally, including prestige retailers and specialty stores and mass retailers, including mid-tier and chain drug retailers, e-commerce sites and other international and travel retailers.

**Marketing**

The Company uses various marketing techniques depending on the brand, type of product or target customer, among other variables. For its mass retail products, the Company markets its extensive product lines covering a broad range of price points within large volume retailers and e-commerce sites in the U.S. and within large volume retailers and other retailers internationally. The Company uses social media and other digital marketing, television, outdoor and print advertising and public relations and influencer marketing, as well as point-of-sale merchandising, including displays and samples, coupons and other trial incentives. The Company coordinates its marketing and advertising campaigns for new product launches and innovation with an omni-channel approach. The Company develops, jointly with retailers, customized, tailored point-of-purchase and other focused marketing programs.

The Company also uses cooperative advertising programs, Company-paid or Company-subsidized demonstrators and coordinates in-store promotions and displays. Other marketing strategies, including trial-size products and couponing, are designed to introduce the Company's newest products to consumers and encourage trial and purchase in-store.

For **Elizabeth Arden** products, the Company’s approach is focused on generating strong retailer and consumer demand across its key brands. The Company emphasizes a competitive marketing mix for each brand and implements plans that are designed to ensure that each brand's positioning is carried through consistently across all consumer touch points. The Company is increasingly leveraging new media, such as social networking and mobile and digital applications, along with traditional consumer reach vehicles, such as television and magazine print advertising, to engage with its consumers through their personally-preferred technologies. Marketing programs for the Company's **Elizabeth Arden** brands are also integrated with significant cooperative advertising programs that the Company plans and executes with its retailers, often linked with new product innovation and promotions.

For products primarily sold to professional salons and distributors, the Company markets products through educational seminars on such products' application methods and consumer benefits. In addition, the Company uses professional trade advertising, social media and other digital marketing, displays and samples to communicate to professionals and consumers the quality and performance characteristics of its products. In some countries, the Company's direct sales force provides customers with point of sale communication and merchandising for its professional products.

The Company believes that its presence in professional salons benefits the marketing and sale of its products sold through other channels, such as mass retailers or specialty stores, as it enables the Company to improve many of its other product categories, such as hair color, hair care, nail color, nail care and skin care. The presence of regional brands internationally provides the Company with broader brand, geographic coverage and retail diversification beyond large volume retailers, among others.

Additionally, the Company maintains many brand-specific websites, such as www.revlon.com, www.elizabetharden.com, www.almay.com, www.revlonprofessional.com, www.americancrew.com, www.cnd.com and www.mitchum.com, devoted to the **Revlon**, **Elizabeth Arden, Almay, Revlon Professional, American Crew, CND** and **Mitchum** brands, respectively. Each of these websites features product and promotional information for the brands and are updated regularly to stay current with the Company's new product launches and other marketing, advertising and promotional campaigns. The Company sells direct-to-consumer on-line through its elizabetharden.com, americancrew.com and juicycouturebeauty.com websites.

**Research and Development**

The Company believes that it is an industry leader in the development of innovative and technologically-advanced cosmetics and beauty products. The Company's marketing and research and development groups identify consumer needs and

shifts in consumer preferences in order to develop new products, introduce line extensions and promotions and redesign or reformulate existing products to satisfy these needs and preferences. The Company's research and development group is comprised of departments specialized in the technologies critical to many of the Company's product lines. The Company also utilizes specialty laboratories and manufacturers in its supply chain for the development of certain new products, such as fragrances and skin care. The Company continues to refine its rigorous process for the ongoing development and evaluation of new product concepts, led by executives in marketing, sales, research and development, and including input from operations, law and finance. This process has created a comprehensive, long-term portfolio strategy that is intended to optimize the Company's ability to regularly launch innovative new product offerings and to effectively manage the Company’s product portfolio.

The Company operates an extensive research and development facility in Edison, New Jersey for products under brands such as **Revlon**, **Almay** and **Elizabeth Arden**. The Company also has research facilities for its professional products in the U.S. (in California and Florida), Spain and Mexico. The scientists at these various facilities are responsible for performing all of the Company’s research and development activities for new products, ideas, concepts and packaging. The Company’s package development and engineering function is also part of the greater research and development organization and fosters a strong synergy of package and formula development, which is integral to a product’s success. The research and development group performs extensive safety and quality testing on the Company’s products, including toxicology, microbiology, efficacy and package testing. Additionally, quality control testing is performed at each of the Company’s manufacturing facilities.

As of December 31, 2020, the Company employed approximately 200 people in its research and development activities, including specialists in pharmacology, toxicology, chemistry, microbiology, engineering, biology, dermatology and quality control.

**Manufacturing and Related Operations and Raw Materials**

During 2020, the Company’s products were primarily produced at the Company’s facilities in the U.S. (North Carolina and Florida), Spain, Mexico, South Africa, and Italy. The Company's products were also produced by third-party suppliers and contract manufacturers in the U.S. and Europe.

The Company continually reviews its manufacturing needs against its manufacturing capacities to identify opportunities to reduce costs and operate more efficiently. The Company continuously pursues reductions in cost of goods through the global sourcing of raw materials and components from qualified vendors, leveraging its purchasing capacity to optimize cost reductions. The Company’s global sourcing strategy from qualified vendors is also designed to ensure that the Company maintains a continuous supply of high-quality raw materials and components. The Company believes that alternate sources of raw materials and components exist and does not anticipate any significant shortages of, or difficulty in obtaining, such materials.

**Distribution**

The Company's products are sold in approximately 150 countries across six continents. The Company utilizes a dedicated sales force in countries where the Company maintains operations, and also utilizes sales representatives and independent distributors to serve certain territories and retailers. (See Item 1A. Risk Factors - "The Company depends on a limited number of customers for a large portion of its net sales, and the loss of one or more of these customers could reduce the Company's net sales and have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows" and "Competition in the beauty industry could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.")

*United States*. Net sales in the U.S. accounted for approximately 48% of the Company's 2020 net sales, which were made in multiple channels, including mass and prestige retail, e-commerce sites and specialty cosmetics stores. The Company also sells a broad range of beauty products to U.S. Government military exchanges and commissaries. The Company licenses its **Revlon** trademark to select manufacturers for complementary beauty-related products and accessories that the Company believes have the potential to extend the Company's brand names and image. As of December 31, 2020, 6 of such licenses were in effect relating to more than 20 product categories, which are marketed principally in the mass retail channel. Pursuant to such licenses, the Company retains control over product design and development, product quality, advertising and the use of its trademarks. These licensing arrangements offer opportunities for the Company to generate revenues and cash flow through royalties or other payments.

The Company sells its products through the mass retail channel, prestige retailers, perfumeries, boutiques, department and specialty stores, travel retailers and distributors, as well as direct sales to consumers via its Elizabeth Arden branded retail stores and e-commerce business. In 2019 and 2018, the Company launched direct-to-consumer on-line selling capabilities on its elizabetharden.com, juicycouturebeauty.com, americancrew.com and fleshbeauty.com websites. In 2020, the Company continued expansion of its e-commerce business in various markets. Retail merchandisers maintain the Company's point-of-sale

wall displays intended to ensure that high-selling SKUs are in stock and to ensure the optimal presentation of the Company's products in retailers. Products for use in professional salons are sold primarily through wholesale beauty supply distributors in the U.S.

*Outside of the United States*. Net sales outside the U.S. accounted for approximately 52% of the Company's 2020 net sales. The three countries outside the U.S. with the highest net sales were China, Australia and Spain which together accounted for approximately 18% of the Company's 2020 net sales. The Company distributes its mass retail products, prestige products and fragrances through large volume retailers, chain drug and food stores, chemist shops, hypermarkets, general merchandise stores, e-commerce sites, television shopping, department and specialty stores, one-stop shopping beauty retailers, perfumeries, boutiques, travel retailers and distributors. Products for use in professional hair and nail salons are sold directly to the salons by the Company's direct sales force in countries where it has operations and through wholesale beauty supply distributors in other countries outside the U.S.

At December 31, 2020, the Company actively sold its products through wholly-owned subsidiaries established in approximately 25 countries outside of the U.S., as well as through joint ventures in Asia and the Middle East, and through a large number of independent distributors and licensees elsewhere around the world.

**Customers**

The Company's principal customers for its mass retail products, prestige products and fragrances include large volume retailers and chain drug stores, including well-known retailers such as Walmart, CVS, Target, Kohl’s, Walgreens, TJ Maxx and Marshalls, department stores such as Macy’s, Dillard’s, Ulta, Belk and Sephora in the U.S.; Shoppers DrugMart in Canada; A.S. Watson & Co. retail chains in Asia Pacific and Europe; Walgreens Boots Alliance in the U.S. and the U.K.; Debenhams and Superdrug Stores in the U.K.; as well as a range of specialty stores, perfumeries and boutiques such as The Perfume Shop, Hudson’s Bay, Shoppers Drug Mart, Myer, Douglas and various international and travel retailers such as Nuance, Heinemann and World Duty Free throughout various international regions, and e-commerce retailers such as Tmall in China.

The Company's principal customers for its professional products include Beauty Systems Group, Salon Centric and Ulta Salon, Cosmetics & Fragrance, as well as individual hair and nail salons and other distributors to professional salons.

As is customary in the industry, none of the Company’s customers are under an obligation to continue purchasing products from the Company in the future.

Walmart and its affiliates worldwide accounted for approximately 18% of the Company's 2020 consolidated net sales. The Company expects that Walmart and a small number of other customers will, in the aggregate, continue to account for a large portion of the Company's net sales. (See Item 1A. Risk Factors - "The Company depends on a limited number of customers for a large portion of its net sales, and the loss of one or more of these customers could reduce the Company's net sales and have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.")

**Competition**

The Company's cosmetics, fragrance, skin care, hair and beauty care products business categories are highly competitive. The Company competes primarily by:

- developing quality products with innovative performance features, shades, finishes, components and packaging;
- educating consumers, retail customers and salon professionals about the benefits of the Company’s products;
- anticipating and responding to changing consumer, retail customer and salon professional demands in a timely manner, including the timing of new product introductions and line extensions;
- offering attractively priced products relative to the product benefits provided;
- maintaining favorable brand recognition;
- generating competitive margins and inventory turns for its customers by providing relevant products and executing effective pricing, incentive and promotional programs and marketing campaigns, as well as social media and influencer marketing activities;
- ensuring product availability through effective planning and replenishment collaboration with the Company's customers;
- providing strong and effective advertising, marketing, promotion, social media, influencer and merchandising support;

- leveraging e-commerce, social media and mobile commerce initiatives and developing an effective omni-channel strategy to optimize the opportunity for consumers to interact with and purchase the Company's products both on-line and in brick and mortar outlets;
- maintaining an effective sales force and distributor network; and
- obtaining and retaining sufficient retail display and floor space, optimal in-store positioning and effective presentation of its products on-shelf.

The Company competes in selected product categories against numerous multi-national manufacturers, as well as with expanding private label and store-owned brands, particularly in the mass retail channel. In addition to products sold in large volume retailers, distributors, wholesalers, professional salons and demonstrator-assisted retailers, the Company's products also compete with products sold in prestige and department stores, television shopping, door-to-door, specialty stores, one-stop shopping beauty retailers, e-commerce sites, perfumeries and other distribution outlets. The Company's competitors include, among others, L'Oréal S.A., The Procter & Gamble Company, The Estée Lauder Companies Inc., Coty Inc., Shiseido Co., Johnson & Johnson, Kao Corp., Henkel AG & Co., Unilever PLC/Unilever N.V., Beiersdorf AG, Chanel S.A., L Brands, Inc., AmorePacific Corporation, Johnson & Johnson, LG Household & Healthcare, Natura & Co./Avon Products, Colgate-Palmolive Company, Puig, Mary Kay Inc., Hand & Nail Harmony, Inc., Oriflame Holding AG, Markwins International Corporation, Sephora (a division of LVMH Moët Henessy Louis Vuitton SE), Boots UK Limited, e.l.f. Beauty, Inc. The Company also competes to a growing extent against e-commerce focused micro-beauty brands, such as Glossier, Inc., NYX Cosmetics and Urban Decay Cosmetics (both acquired by L'Oréal), Anastasia Beverly Hills, Sigma Beauty, Benefit Cosmetics LLC (a subsidiary of LVMH), BECCA, Inc, and Too Faced Cosmetics, LLC (both acquired by Estée Lauder). (See Item 1A. Risk Factors - "Competition in the beauty industry could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.")

**Patents, Trademarks and Proprietary Technology**

The Company considers trademark protection to be very important to its business. The Company’s trademarks are registered in the U.S. and in approximately 150 other countries. The Company’s significant trademarks include: (i) in the Company’s Revlon segment, **Revlon**, **Revlon ColorStay**, **Revlon ColorSilk**, **Revlon PhotoReady**, **Revlon Super Lustrous** and **Revlon Professional**; (ii) in the Company’s Elizabeth Arden segment, **Elizabeth Arden**, **Prevage**, **Eight Hour**, **SuperStart**, **Visible Difference, Elizabeth Arden Red Door, Elizabeth Arden 5th Avenue, Elizabeth Arden White Tea and Elizabeth Arden Green Tea**; (iii) in the Company’s Portfolio segment, **Almay**, **Almay Smart Shade**, **American Crew**, **CND**, **CND Shellac**, **CND Vinylux**, **SinfulColors**, **Mitchum**, **Cutex**, **Intercosmo**, **Orofluido**, **Creme of Nature and Gatineau;** and (iv) in the Company’s Fragrances segment, owned marks such as **Curve, Giorgio Beverly Hills, Charlie**, **Halston, Jean Naté**, **‹PS›** (logo of former Paul Sebastian brand), and **White Diamonds,** as well as licensed trademarks such as **Juicy Couture** (which are also sold direct-to-consumer on its juicycouturebeauty.com website), **John Varvatos** and **AllSaints** in prestige fragrances; **Britney Spears**, **Elizabeth Taylor**, **Christina Aguilera**, **Jennifer Aniston** and **Mariah Carey** in celebrity fragrances; and **Ed Hardy**, **Lucky Brand**, **Alfred Sung** and **Geoffrey Beene** in mass fragrances. The Company regularly renews its trademark registrations in the ordinary course of business.

The Company utilizes certain proprietary and/or patented technologies in the formulation, packaging and/or manufacture of a number of the Company’s products, including, among others, certain **Prevage** skin care products, **Mitchum** deodorants, **CND Shellac** nail color systems and **CND Vinylux** nail polishes. The Company considers its proprietary technology and patent protection to be important to its business.

The Company files patent applications in the ordinary course of business for certain of the Company’s new technologies. In general, utility patents are enforceable for up to 20 years from the patent application filing date, subject to paying periodic maintenance fees. The patents that the Company currently owns expire at various times between 2021 and 2038 and the Company expects to continue to file patent applications for certain of its technologies in the ordinary course of business.

**Government Regulation**

The Company is subject to regulation by the Federal Trade Commission (the "FTC") and the Food and Drug Administration (the "FDA") in the U.S., as well as various other federal, state, local and foreign regulatory authorities, including those in the European Union (the "EU"), Canada and other countries in which the Company operates. The Company's Oxford, North Carolina manufacturing facility is registered with the FDA as a drug manufacturing establishment, permitting the manufacture of cosmetics and other beauty-care products that contain over-the-counter drug ingredients, such as sunscreens, anti-perspirant deodorants and anti-dandruff hair-care products. Compliance with federal, state, local and foreign laws and regulations pertaining to the discharge of materials into the environment, or otherwise relating to the protection of the environment, has not had, and is not anticipated to have, a material effect on the Company's capital expenditures, earnings or competitive position. Regulations in the U.S., the EU, Canada and in other countries in which the Company operates that are designed to protect consumers or the environment have an increasing influence on the Company's product claims, ingredients and packaging. (See Item 1A. Risk Factors - "The Company's products are subject to federal, state and international regulations that could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.")

**Human Capital Resources**

As of December 31, 2020, the Company employed approximately 6,000 people, of which approximately 22% were covered by collective bargaining agreements. The Company has employees in 30 countries. The Company's total employee population includes the impacts of integration initiatives in connection with the EA Integration Restructuring Program, the 2018 Optimization Program and the 2020 Revlon Restructuring Program (as hereinafter described), including the impacts of insourcing efforts. The Company is committed to its core values of Innovation, Inclusion, Collaboration & Accountability. We recognize the diversity of our employees, consumers, partners and community, and are committed to diversity and inclusion, as driven by our employee-led Diversity & Inclusion Council, as well as to the health, safety and well-being of our employees. The Company offers employees a wide array of company-paid benefits, which we believe are competitive in the industry. The company utilizes employee surveys to measure organizational health and employee experiences. The Company believes that its employee relations are positive.

**Available Information**

The public may access materials that the Company files with the Securities and Exchange Commission ("SEC"), including, without limitation, its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, on the SEC's website at http://www.sec.gov. The Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and amendments to those reports are also available free of charge on the Company's Internet website at http://www.revloninc.com as soon as reasonably practicable after such reports are electronically filed with or furnished to the SEC.

**Item 1A. Risk Factors**

In addition to the other information in this report, investors should consider carefully the following risk factors when evaluating the Company's business. For definitions of certain capitalized terms used in this Form 10-K referring to the Company's debt facilities, see Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition, Liquidity and Capital Resources - Long-Term Debt Instruments" of this 2020 Form 10-K.

**Summary Risk Factors**

Some of the factors that could materially and adversely affect our business, financial condition, results of operations and cash flows include, but are not limited to, the following:

Risks Related to the Company's Indebtedness

a. Revlon is a holding company with no business operations of its own and is dependent on its subsidiaries to pay certain expenses and dividends. In addition, shares of the capital stock of Products Corporation, Revlon's wholly-owned operating subsidiary, are pledged by Revlon to secure its obligations under the 2016 Credit Agreements and the 2020 BrandCo Credit Agreement.
b. Products Corporation's substantial indebtedness could adversely affect the Company's operations and flexibility and Products Corporation's ability to service its debt.

c. Even after the consummation of the Exchange Offer, Products Corporation's ability to pay the principal amount of its indebtedness depends on many factors.
d. Restrictions and covenants in Products Corporation's various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply.
e. Limits on Products Corporation's borrowing capacity under the Amended 2016 Revolving Credit Facility and the 2021 Foreign Asset-Based Term Facility may affect the Company's ability to finance its operations.
f. The Company's ability to service its debt and meet its cash requirements depends on many factors, including achieving anticipated levels of revenue and expenses. If such revenue or expense levels prove to be other than as anticipated, the Company may be unable to meet its cash requirements or Products Corporation may be unable to meet the requirements of the 2016 Credit Agreements, 2020 BrandCo Credit Agreement and/or 2021 Foreign Asset-Based Term Agreement, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
g. Shares of Revlon Class A Common Stock are pledged to secure the debt of the Company's affiliates and shares of Products Corporation's capital stock are pledged to secure various obligations of Revlon and Products Corporation, and foreclosure upon these shares or dispositions of shares of Revlon or Products Corporation could result in the acceleration of debt under Products Corporation's 2016 Senior Credit Facilities, 2020 BrandCo Facilities, 2021 Foreign Asset-Based Term Facility and/or its 6.25% Senior Notes and could have other consequences.

Risks Related to the Company's Industry, Business and Operations

a. The ongoing and prolonged COVID-19 pandemic has resulted in significantly decreased net sales for the Company and has had, and could continue to have, a significant adverse effect on the Company's business, results of operations, financial condition and/or cash flows.
b. The Company's financial performance depends on its ability to anticipate and respond to consumer trends and changes in consumer preferences. New product introductions may not be as successful as the Company anticipates, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
c. The Company depends on a limited number of customers for a large portion of its net sales, and the loss of one or more of these customers could reduce the Company's net sales and have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
d. The Company may be unable to maintain or increase its sales through the Company's primary retailers, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
e. The Company depends on its Oxford, North Carolina facility for production of a substantial portion of its products. Disruptions at this facility and/or at other Company or third-party facilities at which the Company's products are manufactured could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
f. Competition in the beauty industry could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
g. The Company's Fragrances segment depends on various brand licenses and distribution arrangements for a significant portion of its sales, and the loss of one or more of these licenses or distribution arrangements could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
h. The Company previously identified a material weakness in its internal control over financial reporting, which has now been remediated. Any failure to maintain effective internal control over financial reporting could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
i. The Company may not realize the cost reductions and other benefits that it expects from its various restructuring programs that may be in effect from time to time, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
j. MacAndrews & Forbes has the power to direct and control the Company's business.

General Business and Regulatory Risks

a. The Company's foreign operations are subject to a variety of social, political and economic risks and have been, and are expected to continue to be, affected by foreign currency exchange fluctuations, foreign currency controls, government-mandated pricing controls, duties, tariffs and/or other trade measures, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows and the value of its foreign assets.

b. Economic conditions could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows and/or on the financial condition of its customers and suppliers.
c. The Company's products are subject to federal, state and international regulations that could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.
d. Disruptions to the Company's information technology systems could disrupt the Company's business operations which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

Risks Related to the Company's Indebtedness

***Revlon is a holding company with no business operations of its own and is dependent on its subsidiaries to pay certain expenses and dividends. In addition, shares of the capital stock of Products Corporation, Revlon's wholly-owned operating subsidiary, are pledged by Revlon to secure its obligations under the 2016 Credit Agreements and the 2020 BrandCo Credit Agreement.***

Revlon is a holding company with no business operations of its own. Revlon's only material asset is all of the outstanding capital stock of Products Corporation, Revlon's wholly-owned operating subsidiary, through which Revlon conducts its business operations. As such, Revlon's net income has historically consisted predominantly of its equity in the net loss of Products Corporation, which for 2020 and 2019 was $593.5 million and $151.2 million, respectively (in each case excluding $7.2 million and $7.9 million, respectively, in expenses primarily related to Revlon being a public holding company). Revlon is dependent on the earnings and cash flow of, and dividends and distributions from, Products Corporation to pay Revlon's expenses incidental to being a public holding company and to pay any cash dividend or distribution on its Class A Common Stock in each case that may be authorized by Revlon's Board of Directors.

Products Corporation may not generate sufficient cash flow to pay dividends or distribute funds to Revlon because, for example, Products Corporation may not generate sufficient cash or net income; state laws may restrict or prohibit Products Corporation from issuing dividends or making distributions unless Products Corporation has sufficient surplus or net profits, which Products Corporation may not have; or because contractual restrictions, including negative covenants contained in Products Corporation's various debt instruments, may prohibit or limit such dividends or distributions.

The terms of Products Corporation's 2016 Credit Agreements, the indenture governing Products Corporation's 6.25% Senior Notes due 2024 (the "6.25% Senior Notes Indenture" and the "6.25% Senior Notes," respectively) and the 2020 BrandCo Credit Agreement (as hereinafter defined) generally restrict Products Corporation from paying dividends or making distributions to Revlon, except in limited circumstances. For example, Products Corporation is permitted to pay dividends and make distributions to Revlon to enable Revlon to, among other things, maintain its existence and its ownership of Products Corporation, such as paying professional fees (e.g., legal, accounting and insurance fees), regulatory fees (e.g., SEC filing fees and NYSE listing fees), pay certain taxes and other expenses related to being a public holding company and, subject to certain limitations, to pay dividends, if any, on Revlon's outstanding securities or make distributions in certain circumstances to finance Revlon's purchase of shares of its Class A Common Stock issued in connection with the delivery of such shares to grantees under the Fourth Amended and Restated Revlon, Inc. Stock Plan, as amended. These limitations therefore restrict Revlon's ability to pay dividends on its Class A Common Stock.

All of the shares of Products Corporation's capital stock held by Revlon are pledged to secure Revlon's guarantee of Products Corporation's obligations under its 2016 Credit Agreements and the 2020 BrandCo Credit Agreement. A foreclosure upon the shares of Products Corporation's common stock would result in Revlon no longer holding its only material asset, would have a material adverse effect on the holders and price of Revlon's Class A Common Stock and would be a change of control under Products Corporation's other debt instruments. (See also Item 1A. Risk Factors - "Shares of Revlon Class A Common Stock are pledged to secure the debt of the Company's affiliates and shares of Products Corporation's capital stock are pledged to secure various obligations of Revlon and Products Corporation, and foreclosure upon these shares or dispositions of shares of Revlon or Products Corporation could result in the acceleration of debt under Products Corporation's 2016 Senior Credit Facilities, 2020 BrandCo Facilities, 2021 Foreign Asset-Based Term Facility and/or its 6.25% Senior Notes and could have other consequences.")

***Products Corporation's substantial indebtedness could adversely affect the Company's operations and flexibility and Products Corporation's ability to service its debt.***

Products Corporation has a substantial amount of outstanding indebtedness. As of December 31, 2020 the Company's total indebtedness was $3,434.5 million (or $3,325.0 million, including future interest and net of discounts and debt issuance costs),

including: (i) $1,868.4 million in aggregate principal amount of its 2020 BrandCo Term Loan Facility; (ii) $883.9 million in aggregate principal amount of secured indebtedness under its 2016 Term Loan Facility; (iii) $431.3 million in aggregate principal amount of its 6.25% Senior Notes; (iv) $188.9 million of secured indebtedness under its Amended 2016 Revolving Credit Facility, consisting of $138.9 million of Tranche A revolving loans and $50.0 million of 2020 ABL FILO Term Loans; (v) the Euro equivalent of $59.2 million in aggregate principal amount of secured indebtedness under its 2018 Foreign Asset-Based Term Facility; (vi) nil in aggregate principal amount of indebtedness under its 2020 Restated Line of Credit Facility, which was terminated on December 31, 2020; and (vii) $2.8 million in aggregate principal amount of other short-term borrowings indebtedness. On November 13, 2020, Products Corporation successfully consummated the Exchange Offer (as hereinafter defined) in which $236 million in aggregate principal amount of outstanding 5.75% Senior Notes due 2021 (the “5.75% Senior Notes”) was validly tendered and accepted for exchange and payment by Products Corporation. In connection with the Exchange Offer, Products Corporation issued $50 million in aggregate principal amount of new 2020 ABL FILO Term Loans and $75 million aggregate principal amount of the New BrandCo Second-Lien Term Loans. On November 13, 2020, immediately after Products Corporation accepted for exchange of the 5.75% Senior Notes validly tendered and not validly withdrawn in the Exchange Offer and completed payment therefor, Products Corporation used cash on hand to redeem, effective as of November 13, 2020, the remaining $106.8 million in aggregate principal amount of 5.75% Senior Notes pursuant to the terms of the 5.75% Senior Notes Indenture. Following the consummation of the Exchange Offer and the satisfaction and full discharge of the remaining 5.75% Senior Notes, no 5.75% Senior Notes remained outstanding.

In addition, in May 2020 Products Corporation repaid in full the 2019 Term Loan Facility, incurred additional indebtedness under the 2020 BrandCo Term Loan Facility and exchanged a significant portion of indebtedness under the 2016 Term Loan Facility for indebtedness under the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility in connection with the 2020 BrandCo Refinancing Transactions (see Note 7, "Debt" to the Company's Audited Consolidated Financial Statements in this Form 10-K. See also, "Recent Debt Transactions" in Item 7. "Combined Management's Discussion and Analysis of Financial Condition and Results of Operations."). If the Company is unable to maintain or increase its profitability and cash flow and sustain such results in future periods, the Company's operations and Products Corporation's ability to service its debt and/or comply with the financial and/or operating covenants under its various debt instruments could be adversely affected. (See also Item 1A. Risk Factors - "Restrictions and covenants in Products Corporation’s various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply.")

The Company is subject to the risks normally associated with substantial indebtedness, including the risk that the Company’s profitability and cash flow will be insufficient to meet required payments of principal and interest under Products Corporation’s various debt instruments, and the risk that Products Corporation will be unable to refinance existing indebtedness when it becomes due or, if it is unable to comply with the financial or operating covenants under its various debt instruments, to obtain any necessary consents, waivers or amendments or that the terms of any such refinancing and/or consents, waivers or amendments will be less favorable than the current terms of such indebtedness. Products Corporation’s substantial indebtedness could also have the effect of:

- limiting the Company’s ability to fund (including by obtaining additional financing) the costs and expenses of executing the Company’s business initiatives, future working capital, capital expenditures, advertising, promotional and/or marketing expenses, new product development costs, purchases and reconfigurations of wall displays, acquisitions, and related integration costs, investments, restructuring programs and other general corporate purposes;
- requiring the Company to dedicate a substantial portion of its cash flow from operations to payments on Products Corporation’s indebtedness, thereby reducing the availability of the Company’s cash flow necessary for executing the Company’s business initiatives and for other general corporate purposes;
- placing the Company at a competitive disadvantage compared to its competitors that have less debt;
- exposing the Company to potential events of default (if not cured or waived) under the financial and operating covenants contained in Products Corporation’s various debt instruments;
- limiting the Company’s flexibility in responding to changes in its business and the industry in which it operates; and
- making the Company more vulnerable in the event of adverse economic conditions or a downturn in its business.

Although agreements governing Products Corporation’s indebtedness, including the 2016 Credit Agreements, the 6.25% Senior Notes Indenture and the 2020 BrandCo Credit Agreement, limit Products Corporation’s ability to borrow funds, under certain circumstances Products Corporation is allowed to borrow a significant amount of additional money, some of which, in certain circumstances and subject to certain limitations, could be secured indebtedness. To the extent that more debt, whether secured or unsecured, is added to the Company's current debt levels, the risks described above would increase further. See “Recent Debt Transactions” in Item 7. “Combined Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

***Even after the consummation of the Exchange Offer, Products Corporation's ability to pay the principal amount of its indebtedness depends on many factors.***

Tranche A and the SISO Facility under the Amended 2016 Revolving Credit Facility mature in June 2023; the non-extended portion of the 2016 Term Loan Facility matures no later than September 2023; Tranche B under the Amended 2016 Revolving Credit Agreement matures no later than December 2023; the 2021 Foreign Asset-Based Term Facility matures no later than March 2024; and the 6.25% Senior Notes mature in August 2024. Also, while the 2020 BrandCo Facilities are scheduled to mature no later than June 2025, they are subject to a springing maturity on the 91st day prior to the maturity of the 6.25% Senior Notes if $100 million or more in aggregate principal amount of the 6.25% Senior Notes remain outstanding by such date. Additionally, while the Extended Term Loans are scheduled to mature no later than June 2025, they are subject to a maturity that would accelerate the earliest of (y) the same September 2023 springing maturity date of any non-extended term loans under Products Corporation's existing 2016 Term Loan Facility if $75 million or more in aggregate principle amount of the non-extended term loans under the 2016 Term Loan Facility remains outstanding on such date, and (z) a springing maturity on the 91st day prior to the maturity of the 6.25% Senior Notes if $100 million or more in aggregate principal amount of the 6.25% Senior Notes remain outstanding by such date. And, while the 2021 Foreign Asset-Based Term Facility matures no later than March 2024, it is subject to a springing maturity date of August 1, 2023 if amount of the non-extended term loans under the 2016 Term Loan Facility remains outstanding on such date. For a more complete description of the maturities of these debt instruments, including events that could accelerate their respective maturities, see "Recent Developments," as well as Note 8, "Debt," to the Company's Audited Consolidated Financial Statements in this Form 10-K. See also, "Recent Debt Transactions" in Item 7. "Combined Management's Discussion and Analysis of Financial Condition and Results of Operations." Products Corporation currently anticipates that, in order to pay the principal amount of its outstanding indebtedness upon the occurrence of any event of default, or to repurchase any of the 6.25% Senior Notes if a change of control occurs, or in the event that Products Corporation's cash flows from operations are insufficient to allow it to pay the principal amount of its indebtedness by their respective maturity dates, the Company will be required to refinance some or all of Products Corporation's indebtedness, seek to sell assets or operations, seek to sell additional Revlon equity, seek to sell debt securities of Revlon or Products Corporation and/or seek additional capital contributions or loans from MacAndrews & Forbes or from the Company's other affiliates and/or third parties. The Company may be unable to take any of these actions due to a variety of commercial or market factors or constraints in Products Corporation's various debt instruments, including, for example, market conditions being unfavorable for an equity or debt issuance, additional capital contributions or loans not being available from affiliates and/or third parties, or that the transactions may not be permitted under the terms of Products Corporation's various debt instruments then in effect, including restrictions on the incurrence of additional debt, incurrence of liens, asset dispositions and/or related party transactions included in such debt instruments. Such actions, if ever taken, may not enable the Company to satisfy its cash requirements if the actions do not result in sufficient cost reductions or generate a sufficient amount of additional capital, as the case may be.

None of the Company's affiliates are required to make any capital contributions, loans or other payments to Products Corporation regarding its obligations on its indebtedness. Products Corporation may not be able to pay the principal amount of its indebtedness using any of the above actions because, under certain circumstances, the 2016 Credit Agreements, the 2020 BrandCo Credit Agreement, the 2021 Foreign Asset-Based Term Agreement, the 6.25% Senior Notes Indenture, any of Products Corporation's other debt instruments and/or the debt instruments of Products Corporation's subsidiaries then in effect may not permit the Company to take such actions. (See also Item 1A. Risk Factors - "Restrictions and covenants in Products Corporation's various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply").

The future state of the credit markets, including any volatility and/or tightening of the credit markets and reduction in credit availability, could adversely impact the Company's ability to refinance or replace, in whole or in part, Products Corporation's outstanding indebtedness by their respective maturity dates, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Restrictions and covenants in Products Corporation's various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply.***

The agreements that govern Products Corporation's indebtedness, including the 2016 Credit Agreements, the 2020 BrandCo Credit Agreement, the 2021 Foreign Asset-Based Term Agreement, and Products Corporation's 6.25% Senior Notes Indenture, contain a number of significant restrictions and covenants that limit Products Corporation's ability (subject in each case to certain exceptions) to, among other things:

- borrow money;
- use assets as security in other borrowings or transactions;

- pay dividends on stock or purchase stock;
- sell assets and use the proceeds from such sales;
- enter into certain transactions with affiliates;
- make certain investments;
- prepay, redeem or repurchase specified indebtedness; and
- permit restrictions on the payment of dividends to Products Corporation by its subsidiaries.

These covenants affect Products Corporation’s operating flexibility by, among other things, restricting its ability to incur indebtedness that could be used to fund the costs of executing the Company’s business initiatives and to grow the Company’s business, as well as to fund general corporate purposes.

Certain breaches under the 2016 Credit Agreements, the 2020 BrandCo Credit Agreement, the 2021 Foreign Asset-Based Term Agreement and/or the 6.25% Senior Notes Indenture would permit the Company’s lenders to accelerate amounts outstanding thereunder. The acceleration of amounts outstanding under the 2016 Senior Credit Facilities (as hereinafter defined), the 2020 BrandCo Credit Agreement, the 2021 Foreign Asset-Based Term Facility and/or the 6.25% Senior Notes would in certain circumstances constitute an event of default under the other instruments permitting amounts outstanding under such instruments to be accelerated. See “Recent Debt Transactions” in Item 7. “Combined Management’s Discussion and Analysis of Financial Condition and Results of Operations.” In addition, holders of the 6.25% Senior Notes may require Products Corporation to repurchase their notes in the event of a change of control under the applicable indenture and a change of control would be an event of default under the 2016 Credit Agreements, the 2020 BrandCo Credit Agreement and the 2021 Foreign Asset-Based Term Agreement. Products Corporation may not have sufficient funds at the time of any such breach or change of control to repay, in full or in part, amounts outstanding under the 2016 Senior Credit Facilities, the 2020 BrandCo Credit Agreement or the 2021 Asset-Based Term Facility or to repay, repurchase or redeem, in full or in part, the 6.25% Senior Notes.

Events beyond the Company’s control could impair the Company’s operating performance, which could affect Products Corporation’s ability to comply with the terms of Products Corporation’s debt instruments. Such events may include decreased consumer spending in response to the ongoing and prolonged COVID-19 pandemic or other weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company’s competitors and/or decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise; changes in consumer purchasing habits, including with respect to retailer preferences and/or among sales channels, such as due to any further consumption declines that the Company has experienced; inventory management by the Company's customers; inventory de-stocking by certain retail customers; space reconfigurations or reductions in display space by the Company's customers; retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers; less than anticipated results from the Company's existing or new products or from its advertising, promotional, pricing and/or marketing plans; or if the Company’s expenses, including, without limitation, those for pension expense under its benefit plans, restructuring programs and related severance expenses, acquisitions and related integration costs, capital expenditures, costs related to litigation, advertising, promotional and/or marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the Company's anticipated level of expenses.

Under such circumstances, Products Corporation or its subsidiaries may be unable to comply with the requirements of one or more of its or their various debt instruments, including any financial covenants in the Amended 2016 Revolving Credit Agreement or the 2021 Foreign Asset-Based Term Agreement. If Products Corporation or its subsidiaries are unable to satisfy such requirements at any future time, Products Corporation or its subsidiaries would need to seek an amendment or waiver of such requirements. The respective lenders under the Amended 2016 Revolving Credit Agreement, the 2021 Foreign Asset-Based Term Agreement and/or the other applicable debt instruments may not consent to any amendment or waiver requests that Products Corporation or its subsidiaries may make in the future, and, if they do consent, they may only do so on terms that are unfavorable to Products Corporation and/or Revlon.

If Products Corporation or its subsidiaries are unable to obtain any such waiver or amendment, Products Corporation's or its subsidiaries' inability to meet the requirements of the Amended 2016 Revolving Credit Agreement, the 2021 Foreign Asset-Based Term Agreement and/or other applicable debt instruments would constitute an event of default under such agreements, which, under certain circumstances, would permit the lenders to accelerate the repayment of the Amended 2016 Revolving Credit Facility or the 2021 Foreign Asset-Based Term Agreement, as the case may be, and, under certain circumstances, would constitute an event of default under the 2016 Term Loan Agreement, the 2020 BrandCo Credit Agreement and the 6.25%

Senior Notes Indenture. An event of default under the 6.25% Senior Notes Indenture would permit the 6.25% Senior Notes Trustee or the Requisite Note Holders to accelerate payment of the principal and accrued, but unpaid, interest on the 6.25% Senior Notes.

Products Corporation's assets and/or cash flows and/or that of Products Corporation's subsidiaries may not be sufficient to fully repay borrowings under its various debt instruments, either upon maturity or if accelerated upon an event of default or change of control, and if the Company is required to repay, repurchase and/or redeem, in whole or in part, amounts outstanding under its 2016 Senior Credit Facilities, the 2020 BrandCo Facilities, the 2021 Foreign Asset-Based Term Agreement and/or its 6.25% Senior Notes, it may be unable to refinance or restructure the payments on such debt. See "Recent Debt Transactions" in Item 7. "Combined Management's Discussion and Analysis of Financial Condition and Results of Operations." Further, if the Company is unable to repay, refinance or restructure its indebtedness under the 2016 Senior Credit Facilities, the 2020 BrandCo Facilities and/or the 2021 Foreign Asset-Based Term Agreement, the lenders could proceed against the collateral securing that indebtedness, subject to certain conditions and limitations as set forth in the related intercreditor agreements and collateral agreements. As described above, the consequences of complying with the foregoing restrictions, covenants and limitations under the Company's various debt instruments could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Limits on Products Corporation's borrowing capacity under the Amended 2016 Revolving Credit Facility and the 2021 Foreign Asset-Based Term Facility may affect the Company's ability to finance its operations.***

At December 31, 2020, Products Corporation had $188.9 million in aggregate borrowings outstanding under the Amended 2016 Revolving Credit Facility and the Euro equivalent of $59.2 million outstanding under the 2018 Foreign Asset-Based Term Facility. While Tranche A of the Amended 2016 Revolving Credit Facility, following Amendment No. 7 thereto, provides for up to $300.0 million of commitments, the Company's ability to borrow funds under such facility is limited by a borrowing base determined relative to the value, from time-to-time, of certain eligible assets.

While the 2021 Foreign Asset-Based Term Facility, which replaced and refinanced the 2018 Foreign Asset-Based Term Facility, provides for a U.S. dollar-denominated senior secured asset-based term loan facility which currently has a principal balance of $75.0 million, the 2021 Foreign Asset-Based Term Agreement requires the maintenance of a borrowing base supporting the borrowing thereunder, based on the sum of: (i) 80% of eligible accounts receivable; (ii) 65% of the net orderly liquidation value of eligible finished goods inventory and (ii) 45% of the mortgage value of certain owned real property, in each case with respect to certain of Products Corporation's subsidiaries organized in Australia, Bermuda, Germany, Italy, Spain and Switzerland, subject to certain customary availability reserves. For more information on Amendment No. 7 to the Amended 2016 Revolving Credit Facility and the 2021 Foreign Asset-Based Term Facility, see Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements in this Form 10-K.

Under the Amended 2016 Revolving Credit Facility and the 2021 Foreign Asset-Based Term Facility, if the value of the Company's eligible assets is not sufficient to support the full borrowing base under the respective facility, Products Corporation will not have complete access to the entire commitment available under such facilities, but rather would have access to a lesser amount as determined by the borrowing base.

The applicable borrowers must prepay loans under the Amended 2016 Revolving Credit Facility and the 2021 Foreign Asset-Based Term Facility to the extent that outstanding loans exceed its respective borrowing base. Under the 2021 Foreign Asset-Based Term Facility, in lieu of a mandatory prepayment, the ABTL Loan Parties may deposit cash into a designated U.S. bank account with the ABTL Agent that is subject to a control agreement (such cash, the "Qualified Cash"). To the extent the borrowing base subsequently exceeds the amount of outstanding loans, the ABTL Borrower can withdraw the Qualified Cash from such bank account. In addition, the 2018 Foreign Asset-Based Term Facility is subject to mandatory prepayments from the net proceeds from the incurrence by the Loan Parties of debt not permitted thereunder.

As Products Corporation continues to manage its working capital (including its and its subsidiaries inventory and accounts receivable, which are significant components of the eligible assets comprising the borrowing base under the Amended 2016 Revolving Credit Facility and the 2021 Foreign Asset-Based Term Facility), this could reduce the borrowing base under the Amended 2016 Revolving Credit Facility and/or the 2021 Asset-Based Term Facility. Further, if Products Corporation borrows funds under the Amended 2016 Revolving Credit Facility, subsequent changes in the value or eligibility of the assets within the borrowing base could require Products Corporation to pay down amounts outstanding under such facility so that there is no amount outstanding in excess of the then-existing borrowing base. Likewise, subsequent changes in the value or eligibility of the assets within the borrowing base under the 2021 Foreign Asset-Based Term Facility could require Products Corporation and

its subsidiaries to pay down amounts outstanding under such facility so that there is no amount outstanding in excess of the then-existing borrowing base, which, unlike the Amended 2016 Revolving Credit Facility, cannot be re-borrowed.

The Company's ability to borrow under the Amended 2016 Revolving Credit Facility is also conditioned upon its compliance with the covenants in the Amended 2016 Revolving Credit Facility. Because of these limitations, the Company may not always be able to meet its cash requirements with funds borrowed under the Amended 2016 Revolving Credit Facility, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

If one or more lenders under the Amended 2016 Revolving Credit Facility are unable to fulfill their commitment to advance funds to Products Corporation under such facility, it would impact the Company's liquidity and, depending upon the amount involved and the Company's liquidity requirements, it could have an adverse effect on the Company's ability to fund its operations, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

At December 31, 2020, the Company had a liquidity position of $249.9 million, consisting of: (i) $97.1 million of unrestricted cash and cash equivalents (with approximately $89.8 million held outside the U.S.); (ii) $168.0 million in available borrowing capacity under the Amended 2016 Revolving Credit Facility (which had $188.9 million drawn at such date); and less (iii) approximately $15.2 million of outstanding checks. See "Recent Debt Transactions" in Item 7. "Combined Management's Discussion and Analysis of Financial Condition and Results of Operations."

***A substantial portion of Products Corporation's indebtedness is subject to floating interest rates and the potential discontinuation or replacement of LIBOR could result in an increase to our interest expense.***

A substantial portion of the Products Corporation's indebtedness is subject to floating interest rates, which makes the Company more vulnerable in the event of adverse economic conditions, increases in prevailing interest rates or a downturn in the Company's business. As of December 31, 2020, $3,000.4 million of Products Corporation's total indebtedness, or approximately 87% of its total indebtedness, was subject to floating interest rates.

In July 2017, the U.K.'s Financial Conduct Authority, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit LIBOR rates after 2021. It is unclear whether or not LIBOR will cease to exist at that time (and if so, what reference rate will replace it) or if new methods of calculating LIBOR will be established such that it continues to exist after 2021. Certain of Products Corporation's financing agreements, including its 2016 Term Loan Facility, the Amended 2016 Revolving Credit Facility, the 2020 BrandCo Facilities and the 2021 Foreign Asset-Based Term Facility are made at variable rates that use LIBOR as a benchmark for establishing the applicable interest rate. While the 2016 Term Loan Facility contains limited "fallback" provisions providing for comparable or successor rates in the event LIBOR is unavailable, these provisions may not adequately address the actual changes to LIBOR or its successor rates. For example, if future rates based upon the successor reference rate (or a new method of calculating LIBOR) are higher than LIBOR rates as currently determined, it may have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows. On the other hand, if future rates based upon the successor reference rate (or a new method of calculating LIBOR) are lower than LIBOR rates as currently determined, the lenders under such credit agreements may seek amendments to increase the applicable interest rate margins or invoke their right to require the use of the alternate base rate in place of LIBOR, which could result in an increase to our interest expense as discussed below. By contrast, the Amended 2016 Revolving Credit Facility, the 2020 BrandCo Credit Agreement and the 2021 Foreign Asset-Based Term Facility contain provisions governing the selection and adjustment of replacement reference rates. More generally, a phase-out of LIBOR could cause market volatility or disruption and may adversely affect our access to the capital markets and cost of funding, which would have a material adverse effect on our business, prospects, results of operations, financial condition and/or cash flows.

Similar considerations as the ones described above with respect to LIBOR as benchmark for establishing interest rates apply to EURIBOR. Our 2018 Foreign Asset-Based Term Facility is denominated in Euros and the interest rate thereunder is tied to EURIBOR. To the extent that EURIBOR becomes unavailable, the agreement contains fallback provisions ultimately providing for a rate determined by the administrative agent as the all-in-cost of funds for borrowings denominated in Euros with maturities comparable to the interest period applicable to the loans under the 2018 Foreign Asset-Based Term Facility.

As of December 31, 2020, the entire $883.9 million in aggregate principal amount outstanding under the 2016 Term Loan Facility bore interest, at Product Corporation's option, at a rate per annum of LIBOR (which has a floor of 0.75%) plus a margin of 3.5% or an alternate base rate plus a margin of 2.5%, payable quarterly, at a minimum. At December 31, 2020, LIBOR and the alternate base rate for the 2016 Term Loan Facility were 0.75% and 3.25%, respectively. As of December 31,

2020, $138.9 million in aggregate principal amount outstanding under Tranche A of the Amended 2016 Revolving Credit Facility bore interest, at Products Corporation's option, at a rate per annum equal to either: (i) the alternate base rate plus an applicable margin equal to 1.00%, 1.25% or 1.50%, depending on the average excess availability (based on the borrowing base as most recently reported by Products Corporation to the administrative agent from time-to-time); or (ii) the Eurocurrency rate (which has a floor of 1.75%) plus an applicable margin equal to 2.00%, 2.25% or 2.50%, depending on the average excess availability (based on the borrowing base as most recently reported by Products Corporation to the administrative agent from time-to-time). Under Tranche A of the Amended 2016 Revolving Credit Facility, the applicable margin increases as average excess revolving availability thereunder decreases. As of December 31, 2020, $50.0 million in aggregate principal amount outstanding under Tranche B of the Amended 2016 Revolving Credit Facility bore interest, at Products Corporation's option, at a rate per annum of LIBOR (which has a floor of 1.75%) plus a margin of 8.50% or an alternate base rate plus a margin of 7.50%, payable quarterly, at a minimum. Under the 2018 Foreign Asset-Based Term Facility, which had the Euro equivalent of $59.2 million in aggregate principal amount outstanding as of December 31, 2020, interest accrued on borrowings at a rate per annum equal to the EURIBOR rate (which had a floor of 0.5%) plus a 7.00% applicable margin. Interest accrues on the 2020 BrandCo Facility at a rate per annum equal to (i) 2.00%, payable in kind, plus (ii) LIBOR (which has a floor of 1.50%) plus a margin of 10.5%. Interest accrues on the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility at a rate per annum of LIBOR (which has a floor of 0.75%) plus a margin of 3.5%. Under the 2021 Foreign Asset-Based Term Facility, which currently has $75.0 million in aggregate principal amount outstanding, interest accrues on borrowings at a rate per annum equal to the LIBOR rate (which had a floor of 1.50%) plus an 8.50% applicable margin. See "Recent Debt Transactions" in Item 7. "Combined Management's Discussion and Analysis of Financial Condition and Results of Operations." and Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements.

If any of LIBOR (or its successor rate), the prime rate or the federal funds effective rate increases, Products Corporation's debt service costs will increase to the extent that Products Corporation has elected such rates for its outstanding loans. Based on the amounts outstanding under the 2016 Senior Credit Facilities, the 2020 BrandCo Facilities, the 2021 Foreign Asset-Based Term Facility and other short-term borrowings (which, in the aggregate, are Products Corporation's only debt currently subject to floating interest rates) as of December 31, 2020, a 1% increase in LIBOR (or an equivalent successor rate) would increase the Company's annual interest expense by $30.5 million. Based on the same amounts outstanding, a change from LIBOR to the alternate base rate in the case of the 2016 Credit Agreements would increase the Company's annual interest expense by $14.5 million. Increased debt service costs would adversely affect the Company's cash flows and could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The Company's ability to service its debt and meet its cash requirements depends on many factors, including achieving anticipated levels of revenue and expenses. If such revenue or expense levels prove to be other than as anticipated, the Company may be unable to meet its cash requirements or Products Corporation may be unable to meet the requirements of the 2016 Credit Agreements, 2020 BrandCo Credit Agreement and/or 2021 Foreign Asset-Based Term Agreement, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company currently expects that operating revenues, cash on hand, and funds that may be available for borrowing under the Amended 2016 Revolving Credit Facility and other permissible borrowings will be sufficient to enable the Company to cover its operating expenses for 2021, including: cash requirements for the payment of expenses in connection with executing the Company's business initiatives and its advertising, promotional, pricing and/or marketing plans; purchases of permanent wall displays; capital expenditure requirements; debt service payments and costs; cash tax payments; pension and other post-retirement plan contributions; payments in connection with the Company's restructuring programs (including, without limitation, the EA Integration Restructuring Program, the 2018 Optimization Program and the Revlon 2020 Restructuring Program); severance not otherwise included in the Company's restructuring programs; business and/or brand acquisitions (including, without limitation, through licensing transactions), if any; debt and/or equity repurchases, if any; costs related to litigation; and payments in connection with discontinuing non-core business lines and/or exiting and/or entering certain territories and/or channels of trade. See "Recent Debt Transactions" in Item 7. "Combined Management's Discussion and Analysis of Financial Condition and Results of Operations."

However, if the Company's anticipated level of revenue is not achieved because of, for example, decreased consumer spending in response to the ongoing and prolonged COVID-19 pandemic or other weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors and/or decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise; changes in consumer purchasing habits, including with respect to retailer preferences and/or sales channels, such as due to the consumption declines in core beauty categories in the

mass retail channel in North America; inventory management by the Company's customers; space reconfigurations or reductions in display space by the Company's customers; retail store closures in brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers; less than anticipated results from the Company's existing or new products or from its advertising, promotional, pricing and/or marketing plans; or if the Company's expenses, including, without limitation, those for pension expense under its benefit plans, capital expenditures, restructuring and severance costs (including, without limitation, for the EA Integration Restructuring Program, the 2018 Optimization Program and the Revlon 2020 Restructuring Program), acquisition and integration costs, costs related to litigation, advertising, promotional or marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses, the Company's current sources of funds may be insufficient to meet its cash requirements. In addition, such developments, if significant, could reduce the Company's revenues and could have a material adverse effect on Products Corporation's ability to comply with the terms of the 2016 Credit Agreements, 2020 BrandCo Credit Agreement and/or 2021 Foreign Asset-Based Term Loan Agreement (See also Item 1A. Risk Factors - "Restrictions and covenants in Products Corporation’s various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply," which discusses, among other things, the consequences of noncompliance with Products Corporation's debt covenants).

If the Company's operating revenues, cash on hand and/or funds that may be available for borrowing are insufficient to cover the Company's expenses and/or are insufficient to enable Products Corporation to comply with the requirements of the 2016 Credit Agreements, 2020 BrandCo Credit Agreement and/or 2021 Foreign Asset-Based Term Agreement, the Company could be required to adopt one or more of the alternatives listed below:

- delaying the implementation of or revising certain aspects of the Company's business initiatives;
- reducing or delaying purchases of wall displays and/or expenses related to the Company's advertising, promotional and/or marketing activities;
- reducing or delaying capital spending;
- implementing new restructuring programs;
- refinancing Products Corporation's indebtedness;
- selling assets or operations;
- seeking additional capital contributions and/or loans from MacAndrews & Forbes, the Company's other affiliates and/or third parties;
- selling additional Revlon equity or debt securities or Products Corporation's debt securities; and/or
- reducing other discretionary spending.

The Company may not be able to take any of these actions because of a variety of commercial or market factors or constraints in one or more of Products Corporation's various debt instruments, including, for example, market conditions being unfavorable for an equity or a debt issuance, additional capital contributions or loans not being available from affiliates and/or third parties, or that the transactions may not be permitted under the terms of one or more of Products Corporation's various debt instruments then in effect, such as due to restrictions on the incurrence of debt, incurrence of liens, asset dispositions and/or related party transactions. If the Company is required to take any of these actions, it could have a material adverse effect on its business, prospects, results of operations, financial condition and/or cash flows.

Such actions, if ever taken, may not enable the Company to satisfy its cash requirements or enable Products Corporation to comply with the terms of the 2016 Credit Agreements, 2020 BrandCo Credit Agreement and/or 2021 Foreign Asset-Based Term Agreement if the actions do not result in sufficient cost reductions or generate a sufficient amount of additional capital, as the case may be. (See also Item 1A. Risk Factors - "Restrictions and covenants in Products Corporation’s various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply," which discusses, among other things, the consequences of noncompliance with Products Corporation's debt covenants).

***Shares of Revlon Class A Common Stock are pledged to secure the debt of the Company’s affiliates and shares of Products Corporation's capital stock are pledged to secure various obligations of Revlon and Products Corporation, and foreclosure upon these shares or dispositions of shares of Revlon or Products Corporation could result in the acceleration of debt under Products Corporation's 2016 Senior Credit Facilities, 2020 BrandCo Facilities, 2021 Foreign Asset-Based Term Facility and/or its 6.25% Senior Notes and could have other consequences.***

All of Products Corporation's shares of common stock are pledged to secure Revlon’s guarantee under the 2016 Senior Credit Facilities and the 2020 BrandCo Facilities. MacAndrews & Forbes has advised the Company that it has pledged shares of Revlon’s Class A Common Stock to secure certain obligations of MacAndrews & Forbes. Additional shares of Revlon and

shares of common stock of intermediate holding companies between Revlon and MacAndrews & Forbes may from time-to-time be pledged to secure obligations of MacAndrews & Forbes. A default under any of these obligations that are secured by the pledged shares could cause a foreclosure with respect to such shares of Revlon's Class A Common Stock, Products Corporation's common stock or stock of intermediate holding companies between Revlon and MacAndrews & Forbes.

A foreclosure upon any such shares of common stock or dispositions of shares of Revlon's Class A Common Stock, Products Corporation's common stock or stock of intermediate holding companies between Revlon and MacAndrews & Forbes that are beneficially owned by MacAndrews & Forbes could, in a sufficient amount, constitute a "change of control" under Products Corporation's 2016 Credit Agreements, the 2020 BrandCo Credit Agreement, the 2021 Foreign Asset-Based Term Agreement, and the 6.25% Senior Notes Indenture. A change of control constitutes an event of default under the 2016 Credit Agreements, the 2020 BrandCo Credit Agreement and the 2021 Foreign Asset-Based Term Agreement that would permit Products Corporation's and its subsidiaries' lenders to accelerate amounts outstanding under such facilities. In addition, holders of the 6.25% Senior Notes may require Products Corporation to repurchase their respective notes under those circumstances.

Products Corporation may not have sufficient funds at the time of any such change of control to repay in full or in part the borrowings under the 2016 Senior Credit Facilities, the 2020 BrandCo Facilities and the 2021 Foreign Asset-Based Term Facility and/or to repurchase or redeem some or all of the 6.25% Senior Notes. (See also Item 1A. Risk Factors - "The Company's ability to service its debt and meet its cash requirements depends on many factors, including achieving anticipated levels of revenue and expenses. If such revenue or expense levels prove to be other than as anticipated, the Company may be unable to meet its cash requirements or Products Corporation may be unable to meet the requirements of the 2016 Credit Agreements, 2020 BrandCo Credit Agreement and/or 2021 Foreign Asset-Based Term Loan Agreement, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows."

**Risks Related to the Company's Industry, Business and Operations**

***The ongoing and prolonged COVID-19 pandemic has resulted in significantly decreased net sales for the Company and has had, and could continue to have, a significant adverse effect on the Company's business, results of operations, financial condition and/or cash flows.***

The ongoing and prolonged COVID-19 pandemic has had, and continues to have, a significant adverse effect on the Company's business around the globe, which could continue for the foreseeable future. The COVID-19 pandemic has adversely impacted net sales in all major commercial regions that are important to the Company's business. COVID-19's adverse impact on the global economy has contributed to significant and extended quarantines, stay-at-home orders and other social distancing measures; closures and bankruptcies of retailers, beauty salons, spas, offices and manufacturing facilities; increased levels of unemployment; travel and transportation restrictions leading to declines in consumer traffic in key shopping and tourist areas around the globe; and import and export restrictions. These adverse economic conditions have resulted in the general slowdown of the global economy, in turn contributing to a significant decline in net sales within each of the Company's reporting segments and regions.

The ongoing and prolonged COVID-19 pandemic contributed an estimated $505 million ($507 million XFX) to the Company's $515.3 million decline in net sales for the year ended December 31, 2020, compared to the prior year period.

In April 2020, the Company took several cost reduction measures designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on its net sales, including, without limitation: (i) reducing brand support, as a result of the abrupt decline in retail store traffic; (ii) continuing to monitor the Company's sales and order flow and periodically scaling down operations and cancelling promotional programs; and (iii) closely managing cash flow and liquidity and prioritizing cash to minimize COVID-19's impact on the Company's production capabilities. In April 2020, the Company also implemented various organizational interim measures designed to reduce costs in response to COVID-19, including, without limitation: (i) switching to a reduced work week in the U.S. and in the Company's international locations and reducing executive and employee compensation in the range of 20% to 40%; (ii) furloughing approximately 40% of the Company's U.S.-based office-based employees and 30% factory-based employees, as well as employees in a majority of the Company's other locations; (iii) suspending the Company's 2020 merit base salary increases, discretionary profit sharing contributions and matching contributions to the Company's 401(k) plan; (iv) reducing Board and committee compensation by 50% and eliminating Board and committee meeting fees; and (v) suspending or terminating services and payments under consulting agreements with certain directors. During the third quarter of 2020, the Company started to gradually roll back some of these measures especially with regards to some of the employees previously furloughed and/or on a reduced work week. With these measures, including the Revlon 2020 Restructuring Program, the Company achieved cost reductions of approximately $286 million during the year ended December 31, 2020 that have substantially offset the impact of the decline in the Company's net sales over such period. However, with the ongoing and prolonged COVID-19 pandemic, these mitigation actions may not prove to be effective in insulating the Company from any further damaging economic impacts from the pandemic.

The ongoing and prolonged COVID-19 pandemic has caused the Company and various of its key third party suppliers to temporarily close one or more of their manufacturing facilities. While these closures have not yet had a material adverse impact on the Company's ability to operate and fulfill orders, if the COVID-19 restrictions continue for a period longer than the period for the re-opening of retailers, such restrictions could lead to a shortage of raw materials, components and finished products, which in turn could cause the Company to be unable to ship products to retailers and consumers and continue to adversely impact the Company's net sales. Also, if one or more of the Company's key customers were required to close for an extended period, the Company might not be able to ship products to them and consumers may decrease their level of purchasing activity, which would adversely impact the Company's net sales. In addition, governmental authorities may recommend or impose other measures that could cause significant disruptions to the Company's business operations in the regions most impacted by the coronavirus, such as in Asia and Travel Retail globally. The continuation of any of the foregoing events or other unforeseen consequences of the COVID-19 pandemic would continue to significantly adversely affect the Company's business, results of operations, financial condition and cash flows.

***The Company depends on its Oxford, North Carolina facility for production of a substantial portion of its products. Disruptions at this facility and/or at other Company or third-party facilities at which the Company's products are manufactured could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company produces a substantial portion of its products at its Oxford, North Carolina facility. Significant unscheduled downtime at this facility, or at other Company facilities and/or third-party facilities at which the Company's products are manufactured, whether due to equipment breakdowns, power failures, natural disasters, pandemics (including COVID-19), weather conditions hampering delivery schedules, shortages of raw materials, technology disruptions or other disruptions, including those caused by transitioning manufacturing across these facilities, or any other cause could have a material adverse effect on the Company's ability to provide products to its customers, which could have a material adverse effect on the Company's sales, business, prospects, results of operations, financial condition and/or cash flows. Additionally, if product sales exceed the Company's forecasts, internal or third-party production capacities and/or the Company's ability to procure sufficient levels of finished goods, raw materials and/or components from third-party suppliers, the Company could, from time-to-time, not have an adequate supply of products to meet customer demands, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Volatility in costs and disruption in the supply of materials and services could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company purchases raw materials, including essential oils, alcohols, chemicals, containers and packaging components, from various third-party suppliers. Substantial cost increases and the unavailability of raw materials or other commodities, as well as higher costs for energy, transportation and other necessary services have adversely affected and may continue to adversely affect the Company's profit margins if it is unable to wholly or partially offset them, such as by achieving cost efficiencies in its supply chain, manufacturing and/or distribution activities. In addition, the Company purchases certain finished goods, raw materials, packaging and other components from single-source suppliers or a limited number of suppliers and if the Company is required to find alternative sources of supply, these new suppliers may have to be qualified under applicable industry, governmental and Company-mandated vendor standards, which can require additional investment and be time-consuming. Any significant disruption to the Company's manufacturing or sourcing of products or raw materials, packaging and other components for any reason (including COVID-19) could interrupt and delay the Company's supply of products to its retail customers. Also, the Company is continually looking for opportunities to provide essential business services in a more cost-effective manner. In some cases, the Company outsources certain functions that it believes can be performed more efficiently by third parties, such as in the areas of IT, finance, tax and human resources. These third parties could fail to provide the expected level of services, provide them on a timely basis or to provide them at the expected fees. Such events, if not promptly remedied, could have a material adverse effect on the Company's business, prospects, results of operation, financial condition and/or cash flows.

***The Company's financial performance depends on its ability to anticipate and respond to consumer trends and changes in consumer preferences. New product introductions may not be as successful as the Company anticipates, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company has a rigorous process for the continuous development and evaluation of new product concepts, led by executives in marketing, sales, research and development, product development, operations, law and finance. However, consumer preference and spending patterns change rapidly and cannot be predicted with certainty. There can be no assurance that the Company will anticipate and respond to trends for beauty products effectively. Each new product launch, including

those resulting from the Company's recently updated product development process, carries risks, as well as the possibility of unexpected consequences, including:

- the acceptance of the Company's new product launches by, and sales of such new products to, the Company's customers may not be as high as the Company anticipates;
- the Company's marketing, promotional, advertising and/or pricing strategies for its new products may be less effective than planned and may fail to effectively reach the targeted consumer base or engender the desired consumption of the Company's products by consumers;
- the rate of purchases by the Company's consumers may not be as high as the Company anticipates;
- the Company's wall displays to showcase its new products may fail to achieve their intended effects;
- the Company may experience out-of-stocks and/or product returns exceeding its expectations as a result of the Company's new product launches or space reconfigurations or as a result of reductions in retail display space by the Company's customers;
- the Company's net sales may also be impacted by inventory management by its customers or changes in pricing, marketing, advertising and/or promotional strategies by its customers;
- the Company may incur costs exceeding its expectations as a result of the continued development and launch of new products, including, for example, unanticipated levels of research and development costs, advertising, promotional and/or marketing expenses, sales return expenses or other costs related to launching new products;
- the Company may experience a decrease in sales of certain of the Company's existing products as a result of newly-launched products, the impact of which could be exacerbated by shelf space limitations and/or any shelf space loss. (See also Item 1A. Risk Factors - "Competition in the beauty industry could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.").
- the Company's product pricing strategies for new product launches may not be accepted by its customers and/or its consumers, which may result in the Company's sales being less than it anticipates;
- the effects of COVID-19 could delay the Company’s development or introduction of new products or require the Company to make unexpected changes to its products;
- the Company may experience a decrease in sales of certain of the Company's products as a result of counterfeit products and/or products sold outside of their intended territories; and/or
- delays or difficulties impacting the Company's ability, or the ability of the Company's suppliers, to timely manufacture, distribute and ship products or raw materials, as the case may be, displays or display walls in connection with launching new products, such as due to inclement weather conditions or other delays or difficulties (such as those discussed under Item 1A. Risk Factors - "The Company depends on its Oxford, North Carolina facility for production of a substantial portion of its products. Disruptions at this facility and/or at other Company or third-party facilities at which the Company's products are manufactured could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows"), could have a material adverse effect on the Company's ability to ship and deliver products to meet its customers’ reset deadlines.

Each of the risks referred to above could delay or impede the Company's ability to achieve its sales objectives, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The Company depends on a limited number of customers for a large portion of its net sales, and the loss of one or more of these customers could reduce the Company's net sales and have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

Walmart and its affiliates worldwide accounted for approximately 18% of the Company’s worldwide net sales in both 2020 and 2019. The Company expects that, for future periods, Walmart and a small number of other customers will, in the aggregate, continue to account for a large portion of the Company's net sales. The Company may be affected by changes in the policies and demands of its customers relating to service levels, inventory de-stocking, pricing, marketing, advertising and/or promotional strategies or limitations on access to wall display space. As is customary in the consumer products industry, none of the Company's customers is under any obligation to continue purchasing products from the Company in the future.

The loss of Walmart and/or one or more of the Company's other customers that account for a significant portion of the Company's net sales, or any significant decrease in sales to these customers, including as a result of consolidation among such customers, retail store closures in response to the growth in retail sales through e-commerce channels, inventory management by these customers, changes in pricing, marketing, advertising and/or promotional strategies by such customers, space reconfigurations by the Company's customers or any significant decrease in the Company's display space, or COVID-19 as retailers faced store closures or reduced traffic, could reduce the Company's net sales and/or operating income and therefore could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The Company may be unable to maintain or increase its sales through the Company's primary retailers, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

A decrease in consumer demand in the U.S. and/or internationally for beauty products, including as a result of COVID-19, inventory management by the Company's customers, changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers (such as the development and/or continued expansion of private label or their own store-owned brands), a reduction in display space by the Company's customers, store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels and/or a change in consumers' purchasing habits, such as with respect to retailer preferences and/or sales channels, could result in decreased sales of the Company's products, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Competition in the beauty industry could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The beauty industry is highly competitive. The Company competes primarily by:

- developing quality products with innovative performance features, shades, finishes, components and packaging;
- educating consumers, retail customers and salon professionals about the benefits of the Company's products both on-line and in brick and mortar retail outlets;
- anticipating and responding to changing consumer, retail customer and salon professional demands in a timely manner, including as to the timing of new product introductions and line extensions;
- offering attractively priced products relative to the product benefits provided;
- maintaining favorable brand recognition;
- generating competitive margins and inventory turns for the Company's customers by providing relevant products and executing effective pricing, incentive and promotional programs and marketing and advertising campaigns, as well as social media and influencer marketing activities;
- ensuring product availability through effective planning and replenishment collaboration with the Company's customers;
- providing strong and effective advertising, promotion, marketing, social media, influencer and merchandising support;
- leveraging e-commerce, social media and mobile commerce initiatives and developing an effective omni-channel strategy to optimize the opportunity for consumers to interact with and purchase the Company's products both on-line and in brick and mortar retail outlets;
- maintaining an effective sales force and distribution network; and
- obtaining and retaining sufficient display space, optimal in-store positioning and effective presentation of the Company's products on-shelf.

An increase in or change in the current level of competition that the Company faces could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. This risk is exacerbated by the COVID-19 pandemic, which reduced consumer demand in 2020, and is expected to continue to do so.

In addition to competing with expanding private label and store-owned brands, the Company competes against a number of multi-national manufacturers, some of which are larger and have substantially greater resources than the Company, and which may therefore have the ability to spend more aggressively than the Company on new business acquisitions, research and development activities, technological advances to evolve in their e-commerce capabilities and advertising, promotional, social

media influencer and/or marketing activities and have more flexibility than the Company to respond to changing business and economic conditions.

Additionally, the Company's major customers periodically assess the allocation of display space among competitors and in the course of doing so could elect to reduce the display space allocated to the Company's products, if, for example, the Company's marketing, promotional, advertising and/or pricing strategies for its new and/or existing products are less effective than planned, fail to effectively reach the targeted consumer base, fail to engender the desired consumption of the Company's products by consumers and/or fail to sustain productive levels of consumption dollar share and/or the rate of purchases by the Company's consumers are not as high as the Company anticipates. Among the factors used by the Company's major customers in assessing the allocation of display space is a brand's share of the color cosmetics category. The Company's color cosmetics brands have experienced, over time, year-over-year declines in their share of the color cosmetics category in the U.S. and it is possible that the Company may continue to experience further share declines. Further declines in the Company's share for one or more of its principal brands, including with respect to the Company's Almay brand, could, among other things, contribute to the additional loss of display space and/or decreased revenues. Any significant loss of display space could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The Company's Fragrances segment depends on various brand licenses and distribution arrangements for a significant portion of its sales, and the loss of one or more of these licenses or distribution arrangements could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company's rights to market and sell certain of its prestige fragrance brands are derived from licenses and other distribution arrangements from unaffiliated third parties and such business is dependent upon the continuation and renewal of such licenses and distribution arrangements on terms favorable to the Company. Each license is for a specific term and may have optional renewal terms. In addition, such licenses and distribution arrangements may be subject to the Company satisfying required minimum royalty payments, minimum advertising and promotional expenditures and satisfying minimum sales requirements. In addition, under certain circumstances, lower net sales may shorten the duration of the applicable license agreement. The loss of one or more of these licenses or other significant distribution arrangements, renewal of one or more of these arrangements on less than favorable terms, the failure to renew one or more of these arrangements and/or difficulties in finding replacement brand licenses for terminated or expired licenses could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The success of the Company's Fragrances segment depends, in part, on the demand for heritage and designer fragrance products. A decrease in demand for such products, or the loss or infringement of any intellectual property rights, could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company's Fragrances segment has license agreements to manufacture, market and distribute a number of heritage and designer fragrance products, including those of (i) **Juicy Couture**, **John Varvatos** and **AllSaints** in prestige fragrances; (ii) **Britney Spears**, **Christina Aguilera**, **Elizabeth Taylor**, **Jennifer Aniston** and **Mariah Carey** in celebrity fragrances; and (iii) **Ed Hardy**, **Lucky Brand** and **Geoffrey Beene** in mass fragrances. In 2020, the Company's Fragrances segment derived approximately 61% of its net sales from heritage and designer fragrance brands. The demand for these products is affected by general economic conditions, and, to some extent, dependent on the appeal to consumers of the particular designer or talent and the designer's or talent's reputation and specific events, such as COVID-19 pandemic which has resulted in reduced consumer demand for these products. The Company also cannot assure that the owners of the trademarks that it licenses can or will successfully maintain their intellectual property rights. If other parties infringe on the intellectual property rights that the Company licenses, the value of such brands in the marketplace may be diluted. To the extent that the heritage or designer fragrance category or a particular designer or talent ceases to be appealing to consumers or a designer's or talent's reputation is adversely affected, sales of the related products and the value of the impacted brands could decrease materially, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The Company's inability to acquire or license additional fragrance brands or secure additional distribution arrangements and arrangements could have an adverse effect on the Company's net sales and a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The success of the Fragrances segment depends in part upon the continued growth of its portfolio of owned, licensed and distributed brands, including expanding its geographic presence to take advantage of opportunities in developed and emerging

regions. Efforts to increase sales of the Company's prestige fragrance portfolio and expand its geographic market presence depend upon a number of factors, including its ability to:

- develop its fragrance brand portfolio through branding, innovation and execution;
- identify and develop new and existing fragrance brands with the potential to become successful global brands;
- innovate and develop new fragrance products that are appealing to consumers;
- acquire or license additional fragrance brands or secure additional distribution arrangements and the Company's ability to obtain the required financing for these agreements and arrangements;
- expand the Company's geographic presence to take advantage of opportunities in developed and emerging regions;
- continue to expand the Company's distribution channels within existing geographies to increase trade presence, brand recognition and sales;
- expand the Company's trade presence through alternative distribution channels, such as through e-commerce channels;
- expand margins through sales growth, the development of higher margin products and overhead and supply chain integration and efficiency initiatives;
- effectively manage capital investments and working capital to improve the generation of cash flow; and
- execute any acquisitions quickly and efficiently and integrate new businesses successfully.

There can be no assurance that the Company can successfully achieve any or all of the above objectives in the manner or time period that it expects. Further, achieving these objectives will require investments, which may result in material short-term costs without generating any current net sales and the Company may not ultimately achieve its net sales objectives associated with such efforts. The future expansion of the Fragrances segment through acquisitions, new fragrance licenses, e-commerce initiatives or other new fragrance distribution arrangements, if any, will depend upon the ability to identify suitable brands to acquire, license or distribute and to obtain the required financing for these acquisitions, licenses or distribution arrangements or to launch or support the brands associated with these agreements or arrangements. The Company may not be able to identify, negotiate, finance or consummate such acquisitions, licenses or arrangements on terms acceptable to the Company, or at all. In addition, the Company may decide to divest or discontinue certain brands or streamline operations and may incur costs and charges in doing so. The inability to acquire or license additional fragrance brands or secure additional distribution arrangements for the Fragrances segment (such as optimizing its e-commerce sales opportunities) and obtain the required financing for these agreements and arrangements could have an adverse effect on the Company’s net sales and a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The illegal distribution and sale by third parties of counterfeit versions of the Company’s products or the unauthorized diversion by third parties of the Company’s products could have an adverse effect on the Company’s net sales and a negative impact on the Company’s reputation and business.***

Third parties may illegally distribute and sell counterfeit versions of the Company’s products. These counterfeit products may be inferior in terms of quality and other characteristics compared to the Company’s authentic products and/or the counterfeit products could pose safety risks that the Company’s authentic products would not otherwise present to consumers. Consumers could confuse counterfeit products with the Company’s authentic products, which could damage or diminish the image, reputation and/or value of the Company’s brands and cause consumers to refrain from purchasing the Company’s products in the future, which could adversely affect the Company’s net sales and have a negative impact on the Company’s reputation.

The Company sells a substantial portion of its professional products to professional salon distributors and/or wholesalers. Products sold to these customers are meant to be used exclusively by salons and individual salon professionals or are sold exclusively to the retail consumers of these salons. Despite the Company’s efforts to prevent diversion of such products from these customers, incidents have occurred and continue to occur whereby the Company’s products are sold to sales outlets other than the intended salons and salon professionals, such as to general merchandise retailers or unapproved outlets. In some instances, these diverted products may be old, damaged or otherwise adulterated, which could damage or diminish the image, reputation and/or value of the Company’s brands. In addition, such diversion may result in lower net sales of the Company’s products if consumers choose to purchase diverted products and/or choose to purchase products manufactured or sold by the Company’s competitors because of any perceived damage or diminishment to the image, reputation and/or value of the Company’s brands.

The Company believes that its trademarks, patents and other intellectual property rights are extremely important to the Company's success and its competitive position. The Company devotes significant resources to registering and protecting its intellectual property rights and maintaining the positive image of its brands. The Company's trademark and patent applications may fail to result in issued registrations or provide the scope of coverage sought. Unplanned increases in legal fees and other costs associated with enforcing and/or defending the Company's trademarks, patents and/or other intellectual property rights could result in higher than expected operating expenses. The Company has been unable to eliminate, and may in the future be unable to eliminate, all counterfeiting activities, unauthorized product diversion and infringement of its trademarks, patents and/or other intellectual property, any of which could adversely affect the Company's net sales and have a negative impact on the Company's reputation.

***The Company's success depends, in part, on the quality, efficacy and safety of its products.***

The Company's success depends, in part, on the quality, efficacy and safety of its products. If the Company's products are found or alleged to be defective or unsafe, or if they fail to meet customer or consumer standards, the Company's relationships with its customers or consumers could suffer, the appeal of one or more of the Company's brands could be diminished and the Company could lose sales and/or become subject to liability claims, any of which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The Company's success largely depends upon its ability to attract, hire and retain its senior management team, other key employees and a highly skilled and diverse workforce, as well as effectively implement succession planning for its senior management team, and, as such, the Company's inability to do so could adversely affect the Company's business, prospects, results of operations, financial condition and/or cash flows.***

Continuing to execute the Company's business initiatives largely depends on the Company's ability to attract, hire and retain its senior management team, other key employees and a highly skilled and diverse workforce, as well as effectively implement succession planning for its senior management team. Unexpected levels of employee turnover, including as a result of the COVID-19 pandemic, or the Company's failure to maintain an adequate succession plan to effectively transition current management leadership positions and/or the Company's failure to attract, hire and retain its senior management team, other key employees and a highly skilled and diverse workforce could adversely affect the Company's institutional knowledge base and/or competitive advantage. If the Company is unable to attract, hire and/or retain talented and highly qualified senior management, other key employees and/or a highly skilled and diverse workforce, or if the Company is unable to effectively provide for the succession of its senior management team, the Company's business, prospects, results of operations, financial condition and/or cash flows could be adversely affected.

***The Company previously identified a material weakness in its internal control over financial reporting, which has now been remediated. Any failure to maintain effective internal control over financial reporting could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company previously disclosed in its Annual Report on Form 10-K for the year ended December 31, 2018, a material weakness in its internal control over financial reporting primarily related to control deficiencies within various aspects of its control environment. As a result of these control deficiencies, the Company concluded that its internal control over financial reporting was not effective for the fiscal year ended December 31, 2018. During 2019, the Company completed a series of actions and measures that effectively remediated the previously-disclosed material weakness and concluded that as of December 31, 2019 its internal control over financial reporting was effective. See Item 9A. – "Controls and Procedures" of the 2019 Form 10-K. The Company cannot provide assurances that material weaknesses or significant deficiencies will not occur in the future and that it will be able to remediate such weaknesses or deficiencies in a timely manner, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

Furthermore, if the remediated material weakness recurs in the future or a new material weakness occurs, it could negatively impact the Company's ability to prepare its future financial statements in conformity with U.S. GAAP. If the Company were unable to prepare its future financial statements in conformity with U.S. GAAP, such circumstances would expose the Company to potential events of default (if not cured or waived) under the financial and operating covenants contained in Products Corporation's various debt instruments and cause the Company to seek any necessary consents, waivers or amendments from its lenders. Under such circumstances, Products Corporation faces the risk that it may not be able to obtain any such consents, waivers or amendments, that the terms of any such consents, waivers or amendments will be less favorable than the current terms of its indebtedness and/or Products Corporation may not be able to refinance its existing indebtedness to

enable it to repay that indebtedness when it becomes due. See also Item 1A. Risk Factors - “Products Corporation’s substantial indebtedness could adversely affect the Company’s operations and flexibility and Products Corporation’s ability to service its debt,” “Products Corporation’s ability to pay the principal amount of its indebtedness depends on many factors” and “Restrictions and covenants in Products Corporation’s various debt instruments limit its ability to take certain actions and impose consequences in the event of failure to comply.” Also, if the Company is unable to prepare its future financial statements in conformity with U.S. GAAP, it could result in damage to the Company’s reputation, financial obligations to third parties, regulatory proceedings and private litigation, any or all of which could result in additional business disruptions and the Company incurring potentially substantial costs.

***The Company may not realize the cost reductions and other benefits that it expects from its various restructuring programs that may be in effect from time to time, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

From time to time, the Company implements restructuring program, such as the Revlon 2020 Restructuring Program (such programs as may be in effect from time to time being referred to as “Restructuring Programs”) that are generally designed to streamline the Company’s operations, reporting structures and business processes, with the objective of maximizing productivity and improving profitability, cash flows and liquidity. Events and circumstances may occur that are beyond the Company’s control, such as delays caused by third parties and unexpected costs, that could result in the Company not realizing all of the anticipated cost reductions and benefits or the Company not realizing the cost reductions or other benefits on its expected timetable. In addition, changes in foreign exchange rates, commodity costs and/or in tax, labor or other laws may result in the Company not achieving the anticipated cost reductions and benefits, as measured in U.S. dollars. If the Company is unable to realize the Restructuring Programs’ cost reduction objectives and other benefits, the Company’s ability to fund other initiatives and enhance its profitability may be adversely affected. In addition, some of the actions that the Company is taking in furtherance of the Restructuring Programs may become a distraction for the Company’s managers and employees and may disrupt the Company’s ongoing business operations; cause deterioration in employee morale which may make it more difficult for the Company to retain or attract qualified employees; disrupt or weaken the Company’s internal control structures; and/or give rise to negative publicity which could affect the Company’s business reputation. If the Company is unable to successfully implement the Restructuring Programs, in whole or in part, in accordance with the Company’s expectations, it could adversely affect its business, prospects, results of operations, financial condition and/or cash flows. For additional information regarding the 2018 Optimization Program and the 2020 Restructuring Program, refer to Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Restructuring charges and other, net.” For additional information regarding the Revlon 2020 Restructuring Program, see Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments - Revlon 2020 Restructuring Program.”

***MacAndrews & Forbes has the power to direct and control the Company's business.***

MacAndrews & Forbes is beneficially owned by Ronald O. Perelman. Mr. Perelman, through MacAndrews & Forbes, beneficially owned approximately 86.7% of Revlon's outstanding Class A Common Stock on December 31, 2020. As a result, MacAndrews & Forbes is able to control the election of the entire Board of Directors of Revlon and of Products Corporation's Board of Directors (as it is a wholly owned subsidiary of Revlon) and controls the vote on all matters submitted to a vote of Revlon’s and Products Corporation's stockholders, including the approval of mergers, consolidations, sales of some, substantially all or all of the Company's assets, issuances of capital stock and similar transactions.

**General Business and Regulatory Risks**

***The Company's foreign operations are subject to a variety of social, political and economic risks and have been, and are expected to continue to be, affected by foreign currency exchange fluctuations, foreign currency controls, government-mandated pricing controls, duties, tariffs and/or other trade measures, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows and the value of its foreign assets.***

As of December 31, 2020, the Company had operations based in 25 foreign countries and its products were sold in approximately 150 countries. The Company is exposed to risks associated with social, political and economic conditions, including inflation, inherent in operating in foreign countries, including those in Asia (such as China and Hong Kong, which has been impacted by ongoing political unrest in that region), Australia, Canada, Eastern Europe (such as Russia), Mexico, South Africa and South America (such as Argentina), which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. Such risks include hyperinflation, foreign currency

devaluation, tariffs, foreign currency controls, government-mandated pricing controls, currency remittance restrictions, changes in tax laws, changes in consumer purchasing habits (including as to retailer preferences), as well as, to a lesser extent, changes in U.S. laws and regulations relating to foreign trade and investment.

The U.S. and the other countries in which the Company's products are manufactured or sold have imposed and may impose additional duties, tariffs and other retaliatory or trade protection measures, or other restrictions or regulations, or may adversely adjust prevailing quota, duty or tariff levels, which can affect the cost and availability of materials that the Company uses to manufacture and package its products and the sale of finished products. For example, the E.U. has imposed tariffs on certain beauty products imported from the U.S., which would impact the sale in the E.U. of certain of the Company's more prestige products that are manufactured in the U.S. Similarly, the tariffs imposed by the U.S. on goods and materials from China would impact any materials that the Company imports from that region for use in manufacturing or packaging in the U.S. Measures that the Company could be required to take to reduce the impact of tariff increases or trade restrictions, including shifts of production among countries and manufacturers, geographical diversification of the Company's sources of supply, adjustments in product or packaging design and fabrication, or increased prices, could increase the Company's costs and delay the Company's time to bring its products to shelf. Other governmental actions related to tariffs or international trade agreements have the potential to adversely impact demand for the Company's products, production costs, retail customers and suppliers. These risks, which could increase the Company's costs and reduce the Company's net sales and profitability, could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

These risks and limitations could also affect the ability of the Company's foreign subsidiaries to obtain sufficient capital to conduct their operations in the ordinary course of business. Limitations and the difficulties that certain of the Company's foreign subsidiaries may experience on the free flow of funds to and from these foreign subsidiaries could restrict the Company's ability to respond timely to challenging business conditions or changes in operations, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

The Company's net sales outside of the U.S. for each of 2020 and 2019 represented approximately 52% and 53% of the Company's total consolidated net sales, respectively. Fluctuations in foreign currency exchange rates negatively affected the Company's results of operations and the value of the Company's foreign net assets in 2020 and they may adversely affect the Company's results of operations and the value of the Company's foreign net assets in future periods, which in turn could cause a material adverse effect on the Company's reported net sales and earnings and the comparability of period-to-period results of operations.

Products Corporation may, from time to time, enter into foreign currency forward exchange contracts to hedge certain net cash flows denominated in foreign currencies. The foreign currency forward exchange contracts may, from time to time, be entered into primarily for the purpose of hedging anticipated inventory purchases and certain intercompany payments denominated in foreign currencies and generally have maturities of less than one year. At December 31, 2020, the notional amount of Products Corporation's foreign currency forward exchange contracts was nil. These foreign currency forward exchange contracts may not adequately protect the Company against the negative effects of foreign currency fluctuations, which could adversely affect the Company's overall liquidity.

***Economic conditions could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows and/or on the financial condition of its customers and suppliers.***

Economic conditions in the U.S. and/or other countries where the Company operates have in the past contributed, and may in the future contribute, to lower consumer spending and/or reduced credit availability. Such economic conditions have impacted, and could in the future impact, business and consumer confidence, especially in relation to discretionary purchases. These conditions could have an impact on customer and/or consumer purchases of the Company's products, which could result in a reduction of the Company's net sales, operating income and/or cash flows. The COVID-19 pandemic has caused significant and pervasive disruptions to global economic and business conditions. Measures imposed or that may in the future be imposed by national, state and local authorities in response to the COVID-19 pandemic are expected to have serious adverse impacts of uncertain severity and duration on domestic and foreign economies. The effectiveness of economic stabilization efforts, including government payments and loans to affected citizens and industries, is uncertain. Any sustained economic downturn in the U.S. or any of the other countries in which we conduct significant business, may cause significant readjustments in both the volume and mix of our product sales, which could materially and adversely affect our business, operating results and financial condition. Additionally, disruptions in the credit and other financial markets and economic conditions could, among other things, impair the financial condition of one or more of the Company's customers or suppliers, thereby increasing the risk of

customer bad debts or non-performance by suppliers. These conditions could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***The U.K.'s ongoing withdrawal process from the European Union may have a negative effect on global economic conditions, financial markets and on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company is a multinational company with worldwide operations, including material business operations in Europe. In June 2016, a majority of voters in the U.K. elected to withdraw from the European Union in a national referendum. In March 2017, the U.K. government invoked Article 50 of the Treaty on the European Union and the U.K. exited the European Union on January 31, 2020. On December 24, 2020, the European Union and U.K. agreed to a trade deal with neither tariffs nor quotas on products, regulatory and customs cooperation mechanisms as well as provisions ensuring a level playing field for open and fair competition. The "Brexit" process has created significant ongoing uncertainty about the future relationship between the U.K. and the European Union and has given rise to calls for the governments of other European Union member states to consider withdrawal from the European Union. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings may be especially subject to increased market volatility. Lack of clarity about future U.K. laws and regulations as the U.K. determines which European Union laws to replace or replicate as the withdrawal process proceeds, including financial laws and regulations, tax and free trade agreements, intellectual property rights, supply chain logistics, environmental, health and safety laws and regulations, immigration laws and employment laws, could decrease foreign direct investment in the U.K., increase costs, depress economic activity, restrict the Company's access to capital and make regulatory compliance and the distribution, sourcing, manufacturing and sales and marketing of the Company's products more difficult or costly. If the U.K. and the European Union are unable to negotiate acceptable withdrawal terms or if other European Union member states pursue withdrawal, barrier-free access between the U.K. and other European Union member states or among the European economic area overall could be diminished or eliminated. Similar adverse consequences could occur if regions such as Catalonia, where the Company's Spain businesses are headquartered, eventually succeed in withdrawing from their parent country. Approximately 4% of the Company's net sales are in the U.K. and approximately 13% of the Company's net sales are in the remainder of the European Union. Any of these factors could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Terrorist attacks, acts of war or military actions and/or other civil unrest may adversely affect the territories in which the Company operates and the Company's business, prospects, results of operations, financial condition and/or cash flows.***

On September 11, 2001, the U.S. was the target of terrorist attacks of unprecedented scope. These attacks contributed to major instability in the U.S. and other financial markets and reduced consumer confidence. These terrorist attacks, as well as subsequent terrorist attacks (such as those that have occurred in Berlin, Germany; Nice, France; Orlando, Florida; Istanbul, Turkey; Brussels, Belgium; Paris, France; Benghazi, Libya; Madrid, Spain; London, England and the attack on the U.S. embassy in Baghdad, Iraq and the U.S.'s military response to such attack), attempted terrorist attacks, military responses to terrorist attacks, other military actions and/or civil unrest, such as that occurring in France, the Ukraine, Venezuela, Turkey, Syria, Iraq and surrounding areas and, most recently in Hong Kong, may adversely affect prevailing economic conditions, resulting in work stoppages, reduced consumer spending and/or reduced demand for the Company's products. These developments subject the Company's worldwide operations to increased risks and, depending on their magnitude, could reduce the Company's net sales and therefore could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Declines in the financial markets may result in increased pension expense and increased cash contributions to the Company's pension plans.***

Declines in the U.S. and global financial markets, including as a result of the COVID-19 pandemic, could result in significant declines in the Company's pension plan assets and result in increased pension expense and cash contributions to the Company's pension plans. Interest rate levels will affect the discount rate used to value the Company's year-end pension benefit obligations. One or more of these factors, individually or taken together, could impact future required cash contributions to the Company's pension plans and pension expense. Any one or more of these conditions could reduce the Company's available

liquidity, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Extreme weather conditions and natural disasters could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

Extreme weather conditions that impact the retail store locations of the Company's customers, or the locations of the Company's manufacturing facilities, distribution centers, overseas offices, third-party suppliers and/or other vendors could disrupt the supply and shipment of the Company's products to consumers, which could have a material adverse effect on the Company's sales, business, prospects, results of operations, financial condition and/or cash flows. Moreover, natural disasters, such as hurricanes, tsunamis and the earthquakes impacting Puerto Rico, whether occurring in the U.S. or abroad, and their related consequences and effects, including energy shortages and public health issues, could result in economic instability and/or disruptions to the Company's operations and/or the operations of the Company's retail customers, distributors, third-party-suppliers and other vendors, which could have a material adverse effect on the Company's sales, business, prospects, results of operations, financial condition and/or cash flows.

***The Company's products are subject to federal, state and international regulations that could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The Company's business is subject to numerous laws, regulations and trade policies. The Company is subject to regulation by the FTC and the FDA in the U.S., as well as various other federal, state, local and foreign regulatory authorities, including those in the EU, Canada and other countries in which the Company operates. The Company's Oxford, North Carolina manufacturing facility is registered with the FDA as a drug manufacturing establishment, permitting the manufacture of cosmetics and other beauty-care products that contain over-the-counter drug ingredients, such as sunscreens, anti-perspirant deodorants and anti-dandruff hair-care products. Regulations in the U.S., the EU, Canada and other countries in which the Company operates that are designed to protect consumers or the environment have an increasing influence on the Company's product claims, ingredients and packaging. To the extent federal, state, local and/or foreign regulatory changes occur in the future, whether due to changes in applicable laws or regulations or evolving interpretations and enforcement policies by regulatory authorities, they could require the Company to reformulate or discontinue certain of its products or revise its product packaging or labeling, any of which could result in, among other things, increased costs to the Company, delays in product launches, product returns or recalls and lower net sales, and therefore could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Any violation of the U.S. Foreign Corrupt Practices Act or other similar foreign anti-corruption laws could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

A significant portion of the Company's revenue is derived from operations outside the U.S. and the Company has significant facilities outside the U.S., which exposes the Company to complex foreign and U.S. regulations inherent in conducting international business transactions. The Company is subject to compliance with the U.S. Foreign Corrupt Practices Act ("FCPA") and other similar foreign anti-corruption laws, which generally prohibit companies and their intermediaries from making improper payments to foreign government officials for the purpose of obtaining or retaining business and other types of improper payments. While the Company's employees and agents are required to comply with these laws and the Company has developed policies and procedures to facilitate compliance with such laws, there is no assurance that the Company's policies and procedures will prevent all violations of these laws, despite the Company's long-standing commitment to conducting its business and achieving its objectives by maintaining the highest level of ethical standards and legal compliance. The SEC and the U.S. Department of Justice, and their foreign counterparts, have continued to increase their enforcement activities with respect to the FCPA and similar foreign anti-corruption laws and any violation of these laws or allegations of such may result in severe criminal and civil sanctions, as well as other substantial costs and penalties, any of which could have a material adverse effect the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Disruptions to the Company's information technology systems could disrupt the Company's business operations which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.***

The operation of the Company's business depends on the Company's information technology systems. The Company relies on its information technology systems to effectively manage, among other things, the Company's business data, communications, supply chain, inventory management, customer order entry and order fulfillment, processing transactions, summarizing and reporting results of operations, human resources benefits and payroll management, compliance with regulatory, legal and tax requirements and other processes and data necessary to manage the Company's business. Disruptions to the Company's information technology systems, including any disruptions to the Company's current systems and/or as a result of transitioning to additional or replacement information technology systems, as the case may be, could disrupt the Company's business and could result in, among other things, transaction errors, processing inefficiencies, loss of data and the loss of sales and customers, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. In addition, the Company's information technology systems may be vulnerable to damage or interruption from circumstances beyond the Company's control, including, without limitation, fire, natural disasters, power outages, systems disruptions, system conversions, security breaches, cyberattacks, phishing attacks, viruses and/or human error. In any such event, the Company could be required to make a significant investment to fix or replace its information technology systems, and the Company could experience interruptions in its ability to service its customers. These risks have been and may continue to be exacerbated as a result of remote working in response to the COVID-19 pandemic. Any such damage or interruption could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

In addition, as part of the Company's normal business activities, the Company collects and stores certain confidential information, including personal information with respect to customers, consumers and employees, as well as information related to intellectual property, and the success of its e-commerce operations depends on the secure transmission of confidential and personal data over public networks, including the use of cashless payments. The Company may share some of this information with vendors who assist the Company with certain aspects of its business. Moreover, the success of the Company’s e-commerce operations depends upon the secure transmission of confidential and personal data over public networks, including the use of cashless payments. Any failure on the part of the Company or its vendors to maintain the security of this confidential data and personal information, including via the penetration of the Company’s network security (or those if its vendors) and the misappropriation of confidential and personal information, could result in business disruption, damage to the Company’s reputation, financial obligations to third parties, fines, penalties, regulatory proceedings and private litigation, any or all of which could result in the Company incurring potentially substantial costs. Such events could also result in the deterioration of confidence in the Company by employees, consumers and customers and cause other competitive disadvantages. In addition, a security or data privacy breach could require the Company to expend significant additional resources to enhance its information security systems and could result in a disruption to the Company’s operations. Furthermore, third parties, such as the Company’s suppliers and retail customers, may also rely on information technology and be subject to such cybersecurity breaches. These breaches may negatively impact their businesses, which could in turn disrupt the Company’s supply chain and/or the Company’s business operations. Due to the potential significant costs, business disruption and reputational damage that typically accompany a cyberattack or cybersecurity breach, any such event could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

The Company’s information technology systems, or those of its third-party service providers, may be accessed by unauthorized users such as cyber criminals as a result of a disruption, cyberattack or other security breach. Cyberattacks and other cybersecurity incidents are occurring more frequently, are constantly evolving in nature, are becoming more sophisticated and are being made by groups and individuals with a wide range of expertise and motives. Such cyberattacks and cyber incidents can take many forms, including cyber extortion, social engineering, password theft or introduction of viruses or malware, such as ransomware through phishing emails. As techniques used by cyber criminals change frequently, a disruption, cyberattack or other security breach of the Company’s information technology systems or infrastructure, or those of its third-party service providers, may go undetected for an extended period and could result in the theft, transfer, unauthorized access to, disclosure, modification, misuse, loss or destruction of Company, employee, representative, customer, vendor, consumer and/or other third-party data, including sensitive or confidential data, personal information and/or intellectual property. The Company cannot guarantee that its security efforts will prevent breaches or breakdowns of the Company’s or its third-party service providers’ information technology systems. In addition, like most major corporations, the Company's information systems are a target of cyberattacks and although the incidents that the Company has experienced to date have not had a material effect, if the Company suffers a material loss or disclosure of confidential information as a result of a breach of its information technology systems, including those of its third-party service providers, the Company may suffer reputational, competitive and/or business

harm, incur significant costs and be subject to government investigations, litigation, fines and/or damages, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

Further, the Company is subject to an evolving body of federal, state and non-U.S. laws, rules, regulations, guidelines and principles regarding data privacy and security. Several governments, including the E.U., have regulations dealing with the collection and use of personal information obtained from their citizens, and regulators globally are also imposing greater monetary fines for privacy violations. As of May 2018, the European privacy regulation General Data Protection Regulation ("GDPR") went into effect, strengthening and expanding the rules pertaining to how organizations are required to handle the personal data of individuals located in the EU at the time the data is collected. GDPR establishes new requirements regarding the handling of personal data, and non-compliance with the GDPR may result in monetary penalties of up to 4% of the Company's worldwide revenue. In addition, the State of California recently enacted a data privacy law applicable to entities serving or employing California residents (the "CCPA") that required compliance by January 2020. The GDPR, the CCPA and other changes in federal, state and foreign laws, rules or regulations associated with the enhanced protection of certain types of sensitive data and other personal information, require the Company to evaluate its current operations, information technology systems and data handling practices and to implement enhancements and adaptations where necessary to comply with these new laws, rules and regulations, which could greatly increase the Company's operational costs or require the Company to adapt certain operations or activities to comply with the stricter regulatory requirements. The Company's inability to comply with such laws, rules, regulations, guidelines and principles or to quickly adapt the Company's practices to reflect them as they develop, could potentially subject the Company to significant fines, damages, liabilities and reputational harm, which could have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows.

***Uncertainties in the interpretation and application of the income tax provisions could have a material impact on the Company's financial condition, results of operations and/or cash flows.***

The Company is subject to taxes in the United States and in certain foreign jurisdictions. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant change. The Company's future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation, including in the United States.

The Company is also subject to the examination of our tax returns and other tax matters by the Internal Revenue Service (the "IRS") and other tax authorities and governmental bodies. The Company regularly assesses the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of its provision for taxes. There can be no assurance as to the outcome of these examinations. If the Company's effective tax rates were to increase, particularly in the United States, or if the ultimate determination of the Company's taxes owed is for an amount in excess of amounts previously accrued, it may have a material adverse effect on the Company's business, financial condition and results of operations.

In December 2017, President Donald Trump signed into law legislation that significantly revises the Internal Revenue Code of 1986, as amended (the "Code"). Such changes include a reduction in the corporate tax rate from 35% to 21% and limitations on certain corporate deductions and credits, including significant limitations on the deductibility of interest, among other changes. Notwithstanding the implementation of this reform during the prior years, the new legislation may continue to have material impact on the Company's results of operations, which may be material.

**Item 1B. Unresolved Staff Comments**

None.

**Item 2. Properties**

The following table sets forth, as of December 31, 2020, the Company's major manufacturing, research and development and warehouse/distribution facilities by the segment that each facility primarily operates in, all of which are owned by the Company, except where otherwise noted.

| Location | Segment(s) | Use | Approximate Floor Space Sq. Ft. |
|---|---|---|---|
| Oxford, North Carolina | Revlon, Portfolio, Elizabeth Arden, Fragrances | Manufacturing, warehousing, distribution and office [(a)] | 1,012,000 |
| Jacksonville, Florida | Revlon, Portfolio | Manufacturing, warehousing, distribution and office [(a)] [(b)] | 731,000 |
| Salem, Virginia | Elizabeth Arden | Warehousing and distribution (leased) | 482,000 |
| Roanoke, Virginia | Elizabeth Arden | Warehousing and distribution (leased) | 399,000 |
| Mississauga, Canada | Revlon | Warehousing, distribution and office (leased) | 195,000 |
| Tarragona, Spain | Portfolio, Elizabeth Arden, Fragrances | Manufacturing, warehousing, distribution and office | 175,000 |
| Bologna, Italy | Revlon, Portfolio | Manufacturing, warehousing, distribution and office | 137,000 |
| Queretaro, Mexico | Portfolio, Elizabeth Arden | Manufacturing, warehousing, distribution and office | 128,000 |
| Canberra, Australia | Revlon | Warehousing and distribution | 125,000 |
| Edison, New Jersey | Revlon, Portfolio, Elizabeth Arden | Research and development and office (leased) | 124,000 |
| Rietfontein, South Africa | Revlon | Warehousing, distribution and office (leased) | 118,000 |
| Isando, South Africa | Revlon | Manufacturing, warehousing, distribution and office | 94,000 |
| Stone, United Kingdom | Revlon | Warehousing and distribution (leased) | 92,000 |

[(a)] Property subject to liens under the 2016 Credit Agreements.
[(b)] Owned: 512,000 Sq. Ft.; Leased: 219,000 Sq. Ft.

In addition to the facilities described above, the Company owns and leases additional facilities in various areas throughout the world, including the lease of the Company's offices in New York, New York (approximately 153,000 square feet) and the office lease in Cornella, Spain (approximately 89,000 square feet). Management considers the Company's facilities to be well-maintained and satisfactory for the Company's operations, and believes that the Company's facilities and third-party contractual supplier arrangements provide sufficient capacity for its current and expected production requirements.

**Item 3. Legal Proceedings**

On August 12, 2020, UMB Bank, National Association (“UMB”), purporting to act as successor agent under the Term Credit Agreement, dated as of September 7, 2016 (as amended as of May 7, 2020 and as otherwise amended, restated, supplemented or otherwise modified from time to time, the “2016 Credit Agreement”), filed a lawsuit, captioned UMB Bank, National Association v. Revlon, Inc. et al., against Revlon, Inc., Products Corporation, several of Products Corporation’s subsidiaries, and several of Products Corporation’s contractual counterparties, including Citibank, Jefferies Finance LLC, Jefferies LLC, and Ares Corporate Opportunities Fund V, in the U.S. District Court for the Southern District of New York (the “Complaint”). The Complaint alleged various claims, including breach of contract and fraudulent transfers, stemming from alleged breaches of the 2016 Credit Agreement arising from certain other financing transactions entered into by the Company. The Complaint was never served on any defendant, and on November 6, 2020, having failed to serve the lawsuit on any defendant or make any effort to pursue the case, UMB Bank dismissed the case without prejudice to its right to refile it at a later date.

The Company is also involved in various routine legal proceedings incidental to the ordinary course of its business. The Company believes that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. However, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period.

**Item 4. Mine and Safety Disclosures**

Not applicable.

## PART II - OTHER INFORMATION

### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Revlon's only class of capital stock outstanding at December 31, 2020 is its Class A Common Stock. MacAndrews & Forbes, which is beneficially owned by Ronald O. Perelman, at December 31, 2020 beneficially owned 46,223,321 shares of Revlon's Class A Common Stock, with a par value of $0.01 per share (the "Class A Common Stock"). Revlon's only class of capital stock outstanding at December 31, 2020 was its Class A Common Stock. As a result, at December 31, 2020, Mr. Perelman, indirectly through MacAndrews & Forbes, beneficially owned approximately 86.7% of the issued and outstanding shares of Revlon's Class A Common Stock, which represented approximately 86.7% of the voting power of Revlon's capital stock. The remaining 7,114,997 shares of Class A Common Stock that were issued and outstanding at December 31, 2020 were owned by the public.

Revlon's Class A Common Stock is listed on the New York Stock Exchange (the "NYSE") and traded under the symbol "REV" principally in the U.S. on the FINRA Alternative Display Facility, the NYSE, the EDGX Exchange and the NASDAQ Intermarket Trading System, among others. At December 31, 2020, there were approximately 260 holders of record of Class A Common Stock (which does not include the number of beneficial owners holding indirectly through a broker, bank or other nominee). No cash dividends were declared or paid during 2020 and 2019 by Revlon on its Class A Common Stock. The terms of the 2016 Credit Agreements, the 2019 Term Loan Agreement and the Senior Notes Indentures currently restrict Products Corporation's ability to pay dividends or make distributions to Revlon, except in limited circumstances, which, in turn, limits Revlon's ability to pay dividends to its stockholders. See "Financial Condition, Liquidity and Capital Resources — Long-Term Debt Instruments" and Note 8, "Debt," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K.

For information on securities authorized for issuance under the Company's equity compensation plans, see "Item 12 - Security Ownership of Certain Beneficial Owners and Related Stockholder Matters."

### Item 6. Selected Financial Data

Not applicable, as a smaller reporting company.

## Item 7. Combined Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the Company's consolidated financial statements and related notes and the section entitled "Forward-Looking Statements" this 2020 Form 10-K. As discussed in more detail in the Section entitled "Forward-Looking Statements," this discussion contains forward-looking statements, which involve risks and uncertainties.

***COVID-19 Pandemic***

The ongoing and prolonged COVID-19 pandemic has continued to adversely impact the Company's business in 2020 and beyond, as social-distancing restrictions and related actions designed to curb the spread of the virus have remained in place or have been reinstated as the COVID-19 pandemic spikes across the globe. These adverse economic conditions have resulted in the general slowdown of the global economy, in turn contributing to a significant decline in net sales within each of the Company's reporting segments and regions. See "COVID-19 Impact on the Company's Business" below for more details.

***Amended 2016 Revolving Credit Facility and 2018 Foreign Asset-Based Term Facility***

On March 8, 2021, the Company amended its Amended 2016 Revolving Credit Facility to, among other things, extend the maturity date of the revolving facility thereunder from September 7, 2021 to June 8, 2023. Additionally, on March 2, 2021, the Company refinanced its 2018 Foreign Asset-Based Term Facility that was scheduled to mature on July 9, 2021 with a $75 million asset-based term loan facility with a scheduled maturity date of March 2, 2024, subject to a springing maturity date of August 1, 2023 if, on such date, any principal amount of loans under the 2016 Term Loan Agreement due September 7, 2023 remain outstanding. For further details of these financing transactions, see Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements in this Form 10-K.

***Citibank Litigation***

In the matter captioned *In re Citibank August 11, 2020 Wire Transfers*, No. 20-cv-06539-JMF (S.D.N.Y. Feb. 16, 2021) (the "Citi Decision"), the United States District Court for the Southern District of New York held that certain wire transfers mistakenly paid by Citibank, N.A. ("Citi") from its own funds on August 11, 2020 to holders of term loans issued to Revlon under a Term Credit Agreement dated as of September 7, 2016 (as amended, the "2016 Facility") were final and complete transactions not subject to revocation. The wire payments at issue were made to all lenders under the 2016 Facility in amounts equaling the principal and interest outstanding on the loans at that time. Certain lenders that received the payments returned the funds soon after the mistaken transfer, but holders of approximately $504 million did not, and as a result of the Citi Decision those lenders are entitled to keep the funds in discharge of their debt.

Citi has appealed the Citi Decision. Citi has also asserted subrogation rights, but, as yet, there has been no determination of those rights (if any) under the 2016 Facility and Revlon has not taken a position on this issue. In these circumstances, it is the current intention of the Company to continue to make the scheduled payments under the 2016 Facility as if the full amount of the 2016 Facility remains outstanding.

***License Agreement***

On December 22, 2020, certain of the Company's subsidiaries and Helen of Troy Limited (the "Licensee") entered into a Trademark License Agreement (the "License Agreement") to combine and revise the existing licenses that are in place between the parties. The License Agreement grants the Licensee the exclusive right to use the "Revlon" brand in connection with the manufacture, display, advertising, promotion, labeling, sale, marketing and distribution of certain hair and grooming products until December 31, 2060 (with 3 additional 20-year renewal periods) in exchange for a one-time, upfront cash fee of $72.5 million, which is included as deferred revenue within Other long-term liabilities and Accrued expenses and other current liabilities on the Company's Consolidated Balance Sheets. The deferred revenue will be amortized to royalty income within "Net Sales" on the Company's Consolidated Statement of Operations over a period of 26 years, estimated based on the point in time in which 90% of the total discounted cash flows is captured.

***5.75% Senior Notes Exchange Offer***

On November 13, 2020, Products Corporation completed its previously-announced offer to exchange (as amended, the "Exchange Offer") any and all of the then-outstanding $342.8 million aggregate principal amount of its 5.75% Senior Notes scheduled to mature on February 15, 2021.

In connection with the Exchange Offer, Products Corporation accepted $236 million in aggregate principal amount of 5.75% Senior Notes tendered in the Exchange Offer. Products Corporation used cash on hand to redeem, effective as of November 13, 2020, the remaining $106.8 million in aggregate principal amount of 5.75% Senior Notes pursuant to the terms of the indenture governing the 5.75% Senior Notes. Following the consummation of the Exchange Offer and the satisfaction and discharge of the remaining 5.75% Senior Notes, no 5.75% Senior Notes remained outstanding. See "Financial Condition, Liquidity and Capital Resources" within this Item 7 of this 2020 Form 10-K for more details.

***2020 BrandCo Refinancing Transactions***

On May 7, 2020 (the "BrandCo 2020 Facilities Closing Date"), Products Corporation entered into a term credit agreement (the "2020 BrandCo Credit Agreement") with Jefferies Finance LLC, as administrative agent and collateral agent, and certain financial institutions (the "2020 Facilities Lenders") that are lenders or the affiliates of lenders under Products Corporation's Term Loan Credit Agreement, dated as of September 7, 2016 and amended on April 30, 2020 and as amended on the BrandCo 2020 Facilities Closing Date, as further described below (as amended to date, the "2016 Term Loan Facility") and the Amended 2016 Revolving Credit Facility, collectively referred to as the "2016 Senior Credit Facilities"). Pursuant to the 2020 BrandCo Credit Agreement, the 2020 Facilities Lenders provided Products Corporation with new and roll-up senior secured term loan facilities (the "2020 BrandCo Facilities" and, collectively, the "2020 BrandCo Term Loan Facility" and, together with the use of proceeds thereof and the Extension Amendment, the "2020 BrandCo Refinancing Transactions").

***Liquidity and Ability to Continue as a Going Concern***

Each reporting period, the Company assesses its ability to continue as a going concern for one year from the date the financial statements are issued. At December 31, 2020, the Company had a liquidity position of $249.9 million, consisting of: (i) $97.1 million of unrestricted cash and cash equivalents (with approximately $89.8 million held outside the U.S.); (ii) $168.0 million in available borrowing capacity under Products Corporation's Amended 2016 Revolving Credit Facility (which had $188.9 million drawn at such date); and less (iii) approximately $15.2 million of outstanding checks. The Company's evaluation includes its ability to meet its future contractual obligations and other conditions and events that may impact its liquidity.

The uncertainty as to Products Corporation's ability to extend or refinance the Amended 2016 Revolving Credit Facility raised substantial doubt about the Company's ability to continue as a going concern as of the end of the third quarter of 2020. As a result of the transactions that were completed during the fourth quarter of 2020 and the first quarter of 2021, substantial doubt about the Company's ability to continue as a going concern no longer exists. However, the Company continues to focus on cost reduction and risk mitigation actions to address both the ongoing and prolonged impacts from the COVID-19 pandemic as well as other risks in the business environment. It expects to generate additional liquidity through continued actions related to the Revlon 2020 Restructuring Program and other cost control initiatives as well as funds provided by selling certain assets or other strategic transactions in connection with the Company's ongoing Strategic Review. If sales continue to decline, the Company's cost control initiatives may include reductions in discretionary spend and reductions in investments in capital and permanent displays. Management believes that the recent successful closing of the Exchange Offer and the other recent debt activities, along with existing cash and cash equivalents and cost control initiatives provides the Company with sufficient liquidity to meet its obligations and maintain business operations for the next twelve months.

However, there can be no assurance that available funds will be sufficient to meet the Company's cash requirements on a consolidated basis, as, among other things, the Company's liquidity can be impacted by a number of factors, including its level of sales, costs and expenditures, as well as accounts receivable and inventory, which serve as the principal variables impacting the amount of liquidity available under the Amended 2016 Revolving Credit Facility and the 2018 Foreign Asset-Based Term Facility. For example, subject to certain exceptions, loans under the 2018 Foreign Asset-Based Term Facility must be prepaid to the extent that outstanding loans exceed the borrowing base, consisting of accounts receivable and inventory.

***Revlon 2020 Restructuring Program***

Building upon its previously completed 2018 Optimization Program, in March 2020 the Company announced that it was implementing a worldwide organizational restructuring (the "Revlon 2020 Restructuring Program") designed to reduce the Company's SG&A expenses, as well as cost of goods sold, improve the Company's gross profit and Adjusted EBITDA and maximize productivity, cash flow and liquidity. The Revlon 2020 Restructuring Program includes rightsizing the organization and operating with more efficient workflows and processes. The leaner organizational structure is also expected to improve communication flow and cross-functional collaboration, leveraging the more efficient business processes.

As a result of the Revlon 2020 Restructuring Program, the Company expects to eliminate approximately 975 positions worldwide, including approximately 625 current employees and approximately 350 open positions of which approximately 915 were eliminated by December 31, 2020.

## Overview

***Overview of the Business***

Revlon, Inc. ("Revlon" and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation"), and its subsidiaries. Revlon is an indirect majority-owned subsidiary of MacAndrews & Forbes Incorporated (together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation beneficially owned by Ronald O. Perelman.

The Company operates in four brand-centric reporting segments that are aligned with its organizational structure based on four global brand teams: Revlon; Elizabeth Arden; Portfolio; and Fragrances. The Company manufactures, markets and sells an extensive array of beauty and personal care products worldwide, including color cosmetics; fragrances; skin care; hair color, hair care and hair treatments; beauty tools; men's grooming products; anti-perspirant deodorants; and other beauty care products.

***Business Strategy***

The Company remains focused on its 3 key strategic pillars to drive its future success and growth. First, strengthening its iconic brands through innovation and relevant product portfolios; second, building its capabilities to better communicate and connect with its consumers through media channels where they spend the most time; and third, ensuring availability of its products where consumers shop, both in-store and increasingly online. The Company also continues to deliver against the objectives of the Revlon 2020 Restructuring Program, which includes rightsizing our organization with the objectives of driving improved profitability, cash flow and liquidity. The Company is also managing the business to conserve cash and liquidity, as well as focusing on stabilizing the business, growing e-commerce and preparing the foundation for achieving future growth.

For additional information regarding the Company's business, see "Part 1, Item 1 - Business" in this 2020 Form 10-K.

Certain capitalized terms used in this 2020 Form 10-K are defined throughout this Item 7.

***Strategic Review***

In August 2019, it was disclosed that MacAndrews & Forbes and the Company determined to explore strategic transactions involving the Company and third parties. This review is ongoing and remains focused on exploring potential options for the Company's portfolio and regional brands (the "Strategic Review").

***COVID-19 Impact on the Company's Business***

While the Company continues to execute its business strategy, the ongoing and prolonged COVID-19 pandemic has adversely impacted net sales in all major commercial regions around the globe that are important to the Company's business. COVID-19's adverse impact on the global economy has contributed to significant and extended quarantines, stay-at-home orders and other social distancing measures; closures and bankruptcies of retailers, beauty salons, spas, offices and manufacturing facilities; increased levels of unemployment; travel and transportation restrictions leading to declines in consumer traffic in key shopping and tourist areas around the globe; and import and export restrictions. These adverse economic conditions have resulted in the general slowdown of the global economy, in turn contributing to a significant decline in net sales within each of the Company's reporting segments and regions. As the Company currently expects that the

COVID-19 pandemic, including the impact of the pandemic's "subsequent waves," will continue to impact its business going forward, the Company will continue to closely monitor the associated impacts and take appropriate actions in an effort to mitigate the COVID-19 pandemic's negative effects on the Company's operations and financial results.

The ongoing and prolonged COVID-19 pandemic contributed an estimated $505 million ($507 million XFX) to the Company's $515.3 million decline in net sales for the year ended December 31, 2020, compared to the prior year period. For the year ended December 31, 2020, the Company experienced increased net sales of **Revlon-branded** beauty tools, **Revlon** hair color products and of certain **Elizabeth Arden** skincare and, to a lower extent, fragrance products in certain markets, primarily in Asia, as well as growth in the Company's e-commerce net sales.

For the year ended December 31, 2020, Revlon segment net sales declined $270.4 million ($267.2 million XFX) versus the prior year period, with the ongoing and prolonged COVID-19 pandemic contributing an estimated $225 million ($225 million XFX) to such decline. During the year ended December 31, 2020, the Revlon segment experienced increased net sales of **Revlon-branded** beauty tools and **Revlon** hair color products, primarily in North America. The COVID-19 pandemic had a similar negative impact on the Company's other reporting segments over such period, with the COVID-19 pandemic contributing: (i) an estimated $117 million ($118 million XFX) to a $56.5 million ($60.5 million XFX) decline in the Elizabeth Arden segment, partially offset by higher net sales of **Ceramide** skin care products and, to a lower extent, higher net sales of **Green Tea** fragrances; (ii) an estimated $80 million ($81 million XFX) to a $101.9 million ($101.2 million XFX) decline in the Fragrances segment; and (iii) an estimated $82 million ($82 million XFX) to a $86.5 million ($83.5 million XFX) decline in the Portfolio segment.

On a regional basis, the ongoing and prolonged COVID-19 pandemic had a similar negative impact on the Company's North America and International regions during the year ended December 31, 2020. COVID-19 contributed an estimated $211 million ($212 million XFX) to the decline of $239.0 million ($238.3 million XFX) in the Company's net sales in its North America region for the year ended December 31, 2020, compared to the prior year. Similarly, COVID-19 contributed an estimated $293 million ($295 million XFX) to a decline of $276.3 million ($274.1 million XFX) in the Company's net sales in its International region for the year ended December 31, 2020, compared to the prior year. During the year ended December 31, 2020, on a regional basis, the Company also experienced increased net sales of **Revlon-branded** beauty tools, **Revlon** hair color products and certain **Elizabeth Arden** skincare and fragrance products, predominantly in China, as well as growth in **Cutex** nail care products, and certain local and regional brands, in certain markets.

In April 2020, the Company took several cost reduction measures designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on its net sales, including, without limitation: (i) reducing brand support, as a result of the abrupt decline in retail store traffic; (ii) continuing to monitor the Company's sales and order flow and periodically scaling down operations and cancelling promotional programs; and (iii) closely managing cash flow and liquidity and prioritizing cash to minimize the COVID-19 pandemic's impact on the Company's production capabilities. In April 2020, the Company also implemented various organizational interim measures designed to reduce costs in response to the COVID-19 pandemic, including, without limitation: (i) switching to a reduced work week in the U.S. and in the Company's international locations and reducing executive and employee compensation in the range of 20% to 40%; (ii) furloughing approximately 40% of the Company's U.S.-based office-based employees and 30% factory-based employees, as well as employees in a majority of the Company's other locations; (iii) suspending the Company's 2020 merit base salary increases, discretionary profit sharing contributions and matching contributions to the Company's 401(k) plan; (iv) reducing Board and committee compensation by 50% and eliminating Board and committee meeting fees; and (v) suspending or terminating services and payments under consulting agreements with certain directors. During the third quarter of 2020, the Company started to gradually roll back some of these measures especially with regards to some of the employees previously furloughed and/or on a reduced work week. With these measures, including the Revlon 2020 Restructuring Program, the Company achieved cost reductions of approximately $286 million during the year ended December 31, 2020 that have substantially offset the impact of the decline in the Company's net sales over such period. However, with the ongoing and prolonged COVID-19 pandemic, these mitigation actions may not prove to be effective in insulating the Company from any further damaging economic impacts from the pandemic.

For additional information regarding the Company's business, see "Part 1, Item 1 - Business" in this 2020 Form 10-K. Certain capitalized terms used in this Form 10-K are defined throughout this Item 7.

***Overview of Net Sales and Earnings Results***

Consolidated net sales in the year ended December 31, 2020 were $1,904.3 million, a $515.3 million decrease, or 21.3%, compared to $2,419.6 million in the year ended December 31, 2019. Excluding the $2.9 million unfavorable FX impact,

consolidated net sales decreased by $512.4 million, or 21.2%, during the year ended December 31, 2020. The ongoing and prolonged COVID-19 pandemic contributed an estimated $505 million ($507 million XFX) to the Company's $515.3 million decline in net sales for the year ended December 31, 2020, compared to the prior year period. The XFX net sales decrease of $512.4 million in the year ended December 31, 2020 was due to: a $267.2 million, or 27.9%, decrease in Revlon segment net sales; a $101.2 million, or 22.3%, decrease in Fragrances segment net sales; a $83.5 million, or 17.1%, decrease in Portfolio segment net sale; and a $60.5 million, or 11.6%, decrease in Elizabeth Arden segment net sales.

Consolidated loss from continuing operations, net of taxes, in the year ended December 31, 2020 was $619.0 million, compared to consolidated loss from continuing operations, net of taxes, of $165.2 million in the year ended December 31, 2019. The $453.8 million increase in consolidated loss from continuing operations, net of taxes, in the year ended December 31, 2020, compared to year ended December 31, 2019, was primarily due to:

- $323.6 million of lower gross profit, primarily due to the lower net sales, primarily as a result of the effects of the COVID-19 pandemic, in the year ended December 31, 2020;
- a $158.6 million increase in the provision for income taxes in the year ended December 31, 2020, compared to the prior year period, primarily due to: (i) the increase in the valuation allowance recorded on net federal deferred tax assets, (ii) the mix and level of earnings; and (iii) non-deductible impairment charges for which no tax benefit is recognized;
- a $144.1 million increase in non-cash impairment charges recorded for the year ended December 31, 2020, primarily attributable to the effects of the COVID-19 pandemic, compared to having had no impairment charges for the year ended December 31, 2019. This increase is attributable to non-cash impairment charges of $111.0 million recorded on the Company's goodwill and to $33.1 million of non-cash impairment charges recorded on certain of the Company's indefinite-lived intangible assets following the Company's interim impairment assessments during the first and second quarters of 2020;
- a $46.7 million increase in interest expense in the year ended December 31, 2020, compared to the prior year period, primarily due to higher weighted average borrowings and higher weighted average interest rates driven primarily by the 2020 BrandCo Term Loan Facility;
- a $36.9 million increase in restructuring charges, primarily related to higher expenditures under the Revlon 2020 Restructuring Program in the year ended December 31, 2020, compared to the expenditures incurred primarily under the 2018 Optimization Program in the year ended December 31, 2019;
- $26.1 million of lower gain on divested assets primarily related to the gain of $27.4 million recorded in 2019 on the sale of certain assets, compared to having non-material amounts of gains in 2020;
- a $12.2 million increase in amortization of debt issuance costs in the year ended December 31, 2020, compared to the prior year period, primarily due to the additional debt issuance costs recorded and amortized in connection with the 2020 BrandCo Refinancing Transactions; and
- a $1.1 million increase in acquisition, integration and divestiture costs in the year ended December 31, 2020, compared to the prior year period, primarily driven by the amortization of the cash-based awards under Tier 1 and Tier 2 of the Revlon 2019 TIP (see Note 12, "Stock Compensation Plan," to the Company's Consolidated Financial Statements in this Form 10-K for additional details on the 2019 TIP);

with the foregoing partially offset by:

- $244.8 million of lower SG&A expenses in the year ended December 31, 2020, compared to the prior year period, primarily driven by cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on the Company's operations, as well as from the Revlon 2020 Restructuring Program;
- a $43.1 million increase in gain on the early extinguishment of debt in the year ended December 31, 2020, compared to having had no gain in the prior year period, primarily due to $31.2 million recorded during the third quarter of 2020 and $11.9 million recorded during the second quarter of 2020 upon the repurchase and subsequent cancellation of approximately $157.2 million in aggregate principal face amount of Products Corporation's 5.75% Senior Notes;
- $4.1 million of favorable variance in foreign currency, resulting from $6.0 million in foreign currency gains during the year ended December 31, 2020, compared to $1.9 million in foreign currency gains during the year ended December 31, 2019; and

- a $3.5 million net decrease in other miscellaneous expenses, net, in the year ended December 31, 2020, compared to the prior year period, primarily due to lower net periodic benefit costs in connection with the Company's pension plans.

**Operating Segments**

The Company operates in four reporting segments: Revlon; Elizabeth Arden; Portfolio; and Fragrances:

- ***Revlon*** - The Revlon segment is comprised of the Company's flagship Revlon brands. Revlon segment products are primarily marketed, distributed and sold in the mass retail channel, large volume retailers, chain drug and food stores, chemist shops, hypermarkets, general merchandise stores, e-commerce sites, television shopping, department stores, professional hair and nail salons, one-stop shopping beauty retailers and specialty cosmetic stores in the U.S. and internationally under brands such as **Revlon** in color cosmetics; **Revlon ColorSilk** and **Revlon Professional** in hair color; and **Revlon** in beauty tools.
- ***Elizabeth Arden*** - The Elizabeth Arden segment is comprised of the Company's Elizabeth Arden branded products. The Elizabeth Arden segment markets, distributes and sells fragrances, skin care and color cosmetics primarily to prestige retailers, department and specialty stores, perfumeries, boutiques, e-commerce sites, the mass retail channel, travel retailers and distributors, as well as direct sales to consumers via its Elizabeth Arden branded retail stores and elizabetharden.com e-commerce business under brands such as **Elizabeth Arden Ceramide, Prevage, Eight Hour, SUPERSTART, Visible Difference** and **Skin Illuminating** in the Elizabeth Arden skin care brands; and **Elizabeth Arden White Tea, Elizabeth Arden Red Door, Elizabeth Arden 5th Avenue** and **Elizabeth Arden Green Tea** in Elizabeth Arden fragrances.
- ***Portfolio*** - The Company's Portfolio segment markets, distributes and sells a comprehensive line of premium, specialty and mass products primarily to the mass retail channel, hair and nail salons and professional salon distributors in the U.S. and internationally and large volume retailers, specialty and department stores under brands such as **Almay** and **SinfulColors** in color cosmetics; **American Crew** in men's grooming products (which are also sold direct-to-consumer on its americancrew.com website); **CND** in nail polishes, gel nail color and nail enhancements; **Cutex** in nail care products; and **Mitchum** in anti-perspirant deodorants. The Portfolio segment also includes a multi-cultural hair care line consisting of **Creme of Nature** hair care products, which are sold in both professional salons and in large volume retailers and other retailers, primarily in the U.S.; and a hair color line under the **Llongueras** brand (licensed from a third party) that is sold in the mass retail channel, large volume retailers and other retailers, primarily in Spain.
- ***Fragrances*** - The Fragrances segment includes the development, marketing and distribution of certain owned and licensed fragrances, as well as the distribution of prestige fragrance brands owned by third parties. These products are typically sold to retailers in the U.S. and internationally, including prestige retailers, specialty stores, e-commerce sites, the mass retail channel, travel retailers and other international retailers. The owned and licensed fragrances include brands such as: (i) **Juicy Couture** (which are also sold direct-to-consumer on its juicycouturebeauty.com website), **John Varvatos** and **AllSaints** in prestige fragrances; (ii) **Britney Spears**, **Elizabeth Taylor**, **Christina Aguilera**, **Jennifer Aniston** and **Mariah Carey** in celebrity fragrances; and (iii) **Curve, Giorgio Beverly Hills**, **Ed Hardy**, **Charlie**, **Lucky Brand**, **‹PS›** (logo of former Paul Sebastian brand), **Alfred Sung**, **Halston**, **Geoffrey Beene** and **White Diamonds** in mass fragrances.

(all tabular amounts in millions, except share and per share amounts)

**Results of Operations — Revlon, Inc.**

***Consolidated Net Sales:***

Consolidated net sales in the year ended December 31, 2020 were $1,904.3 million, a $515.3 million decrease, or 21.3%, compared to $2,419.6 million in the year ended December 31, 2019. Excluding the $2.9 million unfavorable FX impact, consolidated net sales decreased by $512.4 million, or 21.2%, during the year ended December 31, 2020. The ongoing and prolonged COVID-19 pandemic contributed an estimated $505 million ($507 million XFX) to the Company's $515.3 million decline in net sales for the year ended December 31, 2020, compared to the prior year period. The XFX net sales decrease of $512.4 million in the year ended December 31, 2020 was due to: a $267.2 million, or 27.9%, decrease in Revlon segment net sales; a $101.2 million, or 22.3%, decrease in Fragrances segment net sales; a $83.5 million, or 17.1%, decrease in Portfolio segment net sale; and a $60.5 million, or 11.6%, decrease in Elizabeth Arden segment net sales.

***Segment Results:***

The Company's management evaluates segment profit for each of the Company's reportable segments. The Company allocates corporate expenses to each reportable segment to arrive at segment profit, as these expenses are included in the internal measure of segment operating performance. The Company defines segment profit as income from continuing operations before interest, taxes, depreciation, amortization, stock-based compensation expense, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt and miscellaneous expenses. Segment profit also excludes the impact of certain items that are not directly attributable to the segments' underlying operating performance. The Company does not have any material inter-segment sales. For a reconciliation of segment profit to loss from continuing operations before income taxes, see Note 16, "Segment Data and Related Information," to the Company's Audited Consolidated Financial Statements in this Form 10-K.

The following table provide a comparative summary of the Company's segment results for the periods presented.

| | Net Sales | | | | | | Segment Profit | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Year Ended December 31, | | Change | | XFX Change [a] | | Year Ended December 31, | | Change | | XFX Change [a] | |
| | 2020 | 2019 | $ | % | $ | % | 2020 | 2019 | $ | % | $ | % |
| Revlon | $ 688.4 | $ 958.8 | $ (270.4) | (28.2)% | $ (267.2) | (27.9)% | $ 86.5 | $ 101.2 | $ (14.7) | (14.5)% | $ (14.8) | (14.6)% |
| Elizabeth Arden | 463.5 | 520.0 | (56.5) | (10.9)% | (60.5) | (11.6)% | 39.6 | 37.6 | 2.0 | 5.3 % | 1.0 | 2.7 % |
| Portfolio | 401.3 | 487.8 | (86.5) | (17.7)% | (83.5) | (17.1)% | 47.4 | 45.0 | 2.4 | 5.3 % | 2.0 | 4.4 % |
| Fragrances | 351.1 | 453.0 | (101.9) | (22.5)% | (101.2) | (22.3)% | 66.6 | 82.3 | (15.7) | (19.1)% | (16.1) | (19.6)% |
| Total | $ 1,904.3 | $ 2,419.6 | $ (515.3) | (21.3)% | $ (512.4) | (21.2)% | $ 240.1 | $ 266.1 | $ (26.0) | (9.8)% | $ (27.9) | (10.5)% |

[a] XFX excludes the impact of foreign currency fluctuations.

***Revlon Segment***

Revlon segment net sales in the year ended December 31, 2020 were $688.4 million, a $270.4 million, or 28.2%, decrease, compared to $958.8 million in the year ended December 31, 2019. Excluding the $3.2 million unfavorable FX impact, total Revlon segment net sales in the year ended December 31, 2020 decreased by $267.2 million, or 27.9%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $225 million ($225 million XFX) to the Revlon segment's decrease in net sales in the year ended December 31, 2020, compared to the prior year period. The Revlon segment's XFX decrease in net sales of $267.2 million in the year ended December 31, 2020 was driven primarily by lower net sales of **Revlon** color cosmetics and, to a lower extent, lower net sales of **Revlon**-branded professional hair-care products, primarily in International regions, as well as lower net sales of **Revlon ColorSilk** hair color, primarily in North America. This decrease was due, primarily, to the continuing effects of the COVID-19 pandemic on the mass retail channels and on salon activity, respectively, partially offset by increased net sales of **Revlon**-branded beauty tools and **Revlon** hair care products, primarily in North America.

Revlon segment profit in the year ended December 31, 2020 was $86.5 million, a $14.7 million, or 14.5%, decrease, compared to $101.2 million in the year ended December 31, 2019. Excluding the $0.1 million favorable FX impact, Revlon segment profit in the year ended December 31, 2020 decreased by $14.8 million, or 14.6%, compared to the year ended December 31, 2019. This decrease was driven primarily by the Revlon segment's lower net sales, primarily due to the COVID-19 pandemic as described above, as well as moderately lower gross profit margin, partially offset by the segment's lower brand support and other SG&A expenses, driven by cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on the Company's operations, as well as the Revlon 2020 Restructuring Program.

***Elizabeth Arden Segment***

Elizabeth Arden segment net sales in the year ended December 31, 2020 were $463.5 million, a $56.5 million, or 10.9%, decrease, compared to $520.0 million in the year ended December 31, 2019. Excluding the $4.0 million favorable FX impact, Elizabeth Arden segment net sales in the year ended December 31, 2020 decreased by $60.5 million, or 11.6%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $117 million ($118 million XFX) to the Elizabeth Arden segment's decrease in net sales in the year ended December 31, 2020, compared to the prior year period. The Elizabeth Arden segment XFX decrease in net sales of $60.5 million in the year ended December 31, 2020 was driven primarily by lower net sales of certain **Elizabeth Arden**-branded skin care products, as well as color cosmetics, and lower net sales of certain **Elizabeth Arden**-branded fragrances, due, primarily, to the continuing effects of the COVID-19 pandemic on foot traffic at department stores and other retail outlets, partially offset by higher net sales of **Ceramide** skin care products and, to a lower extent, by higher net sales of **Green Tea** fragrances.

Elizabeth Arden segment profit in the year ended December 31, 2020 was $39.6 million, a $2.0 million, or 5.3%, increase, compared to $37.6 million in the year ended December 31, 2019. Excluding the $1.0 million favorable FX impact, Elizabeth Arden segment profit in the year ended December 31, 2020 increased by $1.0 million, or 2.7%, compared to the year ended December 31, 2019. This increase was driven primarily by the Elizabeth Arden segment's lower other SG&A and brand support expenses and higher gross profit margin, driven by cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on the Company's operations, as well as the Revlon 2020 Restructuring Program, partially offset by the segment's lower net sales, primarily due to the COVID-19 pandemic as described above.

***Portfolio Segment***

Portfolio segment net sales in the year ended December 31, 2020 were $401.3 million, a $86.5 million, or 17.7%, decrease, compared to $487.8 million in the year ended December 31, 2019. Excluding the $3.0 million unfavorable FX impact, total Portfolio segment net sales in the year ended December 31, 2020 decreased by $83.5 million, or 17.1%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $82 million ($82 million XFX) to the Portfolio segment's decrease in net sales in the year ended December 31, 2020, compared to the prior year period. The Portfolio segment XFX decrease in net sales of $83.5 million in the year ended December 31, 2020 was driven primarily by lower net sales of **Almay** color cosmetics, **American Crew** men's grooming products, **CND** nail products, primarily in North America, as well as certain local and regional skin care products brands, driven, primarily, by the continuing effects of the COVID-19 pandemic on the mass retail channel and salons. This decrease was partially offset primarily by higher net sales of **Creme of Nature** products and of **Cutex** nail care products, as well as certain other local and regional products brand, primarily in North America.

Portfolio segment profit in the year ended December 31, 2020 was $47.4 million, a $2.4 million, or 5.3%, increase compared to $45.0 million in the year ended December 31, 2019. Excluding the $0.4 million favorable FX impact, Portfolio segment profit in the year ended December 31, 2020 increased by $2.0 million, or 4.4%, compared to the year ended December 31, 2019. This increase was driven primarily by the Portfolio segment's lower other SG&A and brand support expenses, driven by cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on the Company's operations, as well as the Revlon 2020 Restructuring Program, partially offset by the segment's lower net sales, primarily due to the COVID-19 pandemic, as described above, and slightly lower gross profit margin.

(all tabular amounts in millions, except share and per share amounts)

***Fragrances Segment***

Fragrances segment net sales in the year ended December 31, 2020 were $351.1 million, a $101.9 million, or 22.5%, decrease, compared to $453.0 million in the year ended December 31, 2019. Excluding the $0.7 million unfavorable FX impact, total Fragrances segment net sales in the year ended December 31, 2020 decreased by $101.2 million, or 22.3%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $80 million ($81 million XFX) to the Fragrances segment's decrease in net sales in the year ended December 31, 2020, compared to the prior year period. The Fragrances segment XFX decrease in net sales of $101.2 million in the year ended December 31, 2020 was driven primarily by continuing impacts from the COVID-19 pandemic, especially in the prestige channel, resulting in decreased foot traffic and temporary door closures.

Fragrances segment profit in the year ended December 31, 2020 was $66.6 million, a $15.7 million, or 19.1%, decrease, compared to $82.3 million in the year ended December 31, 2019. Excluding the $0.4 million favorable FX impact, Fragrances segment profit in the year ended December 31, 2020 decreased by $16.1 million, or 19.6%, compared to the year ended December 31, 2019. This decrease was driven primarily by the Fragrances segment's lower net sales, primarily due to the ongoing and prolonged COVID-19 pandemic, as described above, partially offset primarily by lower other SG&A and brand support expenses, as well as slightly higher gross profit margin, driven by cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on the Company's operations, as well as the Revlon 2020 Restructuring Program.

***Geographic Results:***

The following tables provide a comparative summary of the Company's North America and International net sales for the periods presented:

| | Year Ended December 31, | | Change | | XFX Change [a] | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | $ | % | $ | % |
| **Revlon** | | | | | | |
| North America | $ 381.0 | $ 497.2 | $ (116.2) | (23.4)% | $ (116.0) | (23.3)% |
| International | 307.4 | 461.6 | (154.2) | (33.4)% | (151.2) | (32.8)% |
| **Elizabeth Arden** | | | | | | |
| North America | $ 104.4 | $ 120.4 | $ (16.0) | (13.3)% | $ (15.7) | (13.0)% |
| International | 359.1 | 399.6 | (40.5) | (10.1)% | (44.8) | (11.2)% |
| **Portfolio** | | | | | | |
| North America | $ 247.9 | $ 298.9 | $ (51.0) | (17.1)% | $ (50.9) | (17.0)% |
| International | 153.4 | 188.9 | (35.5) | (18.8)% | (32.6) | (17.3)% |
| **Fragrances** | | | | | | |
| North America | $ 253.4 | $ 309.2 | $ (55.8) | (18.0)% | $ (55.7) | (18.0)% |
| International | 97.7 | 143.8 | (46.1) | (32.1)% | (45.5) | (31.6)% |
| Total Net Sales | $ 1,904.3 | $ 2,419.6 | $ (515.3) | (21.3)% | $ (512.4) | (21.2)% |

[a] XFX excludes the impact of foreign currency fluctuations.

***Revlon Segment***

*North America*

In North America, Revlon segment net sales in the year ended December 31, 2020 decreased by $116.2 million, or 23.4%, to $381.0 million, compared to $497.2 million in the year ended December 31, 2019. Excluding the $0.2 million unfavorable FX impact, Revlon segment net sales in North America in the year ended December 31, 2020 decreased by $116.0 million, or 23.3%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $88 million ($88 million XFX) to the Revlon segment's decrease in net sales in North America in the year ended December 31, 2020, compared to the prior year period. The Revlon segment's $116.0 million XFX decrease in North America net sales in the year ended December 31, 2020 was primarily due to the Revlon segment's lower net sales of **Revlon** color

cosmetics, as well as, to a lower extent, **Revlon ColorSilk** hair color products, due, primarily, to the continuing effects of the COVID-19 pandemic on the mass retail channel, partially offset by higher net sales of **Revlon**-branded beauty tools and hair care products.

*International*

Internationally, Revlon segment net sales in the year ended December 31, 2020 decreased by $154.2 million, or 33.4%, to $307.4 million, compared to $461.6 million in the year ended December 31, 2019. Excluding the $3.0 million unfavorable FX impact, Revlon segment International net sales in the year ended December 31, 2020 decreased by $151.2 million, or 32.8%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $137 million ($137 million XFX) to the Revlon segment's decrease in International net sales in the year ended December 31, 2020, compared to the prior year period. The Revlon segment's $151.2 million XFX decrease in International net sales in the year ended December 31, 2020 was driven primarily by the Revlon segment's lower net sales of **Revlon** color cosmetics, as well as, to a lower extent, lower net sales of **Revlon**-branded hair-care professional products and **Revlon ColorSilk** hair color products due, primarily, to the continuing effects of the COVID-19 pandemic on the mass retail channel and salons.

***Elizabeth Arden Segment***

*North America*

In North America, Elizabeth Arden segment net sales in the year ended December 31, 2020 decreased by $16.0 million, or 13.3%, to $104.4 million, compared to $120.4 million in the year ended December 31, 2019. Excluding the $0.3 million unfavorable FX impact, Elizabeth Arden segment net sales in North America in the year ended December 31, 2020 decreased by $15.7 million, or 13.0%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $20 million ($20 million XFX) to the Elizabeth Arden segment's decrease in net sales in North America in the year ended December 31, 2020, compared to the prior year period. The Elizabeth Arden segment's $15.7 million XFX decrease in North America net sales in the year ended December 31, 2020 was driven primarily by the Elizabeth Arden segment's lower net sales of certain **Elizabeth Arden**-branded skin care products, as well as **Elizabeth Arden**-branded color cosmetics products and fragrances, due, primarily, to the continuing effects of the COVID-19 pandemic on foot traffic at department stores and other retail outlets. This decrease was partially offset by higher net sales of **Ceramide** and, to a lower extent, higher net sales of **Prevage** skin care products, as well as growth in e-commerce net sales.

*International*

Internationally, Elizabeth Arden segment net sales in the year ended December 31, 2020 decreased by $40.5 million, or 10.1%, to $359.1 million, compared to $399.6 million in the year ended December 31, 2019. Excluding the $4.3 million favorable FX impact, Elizabeth Arden segment International net sales in the year ended December 31, 2020 decreased by $44.8 million, or 11.2%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $97 million ($98 million XFX) to the Elizabeth Arden segment's decrease in International net sales in the year ended December 31, 2020, compared to the prior year period. The Elizabeth Arden segment's $44.8 million XFX decrease in International net sales in the year ended December 31, 2020 was driven primarily by lower net sales of certain **Elizabeth Arden**-branded skin care products, as well as lower net sales of **Elizabeth Arden**-branded fragrances and color cosmetics, primarily within the Company's EMEA and, to a lesser extent, Pacific and Latin America regions, due, primarily, to the continuing effects of the COVID-19 pandemic on foot traffic at department stores and on travel retail outlets. This decrease was partially offset by higher net sales of **Ceramide** skin care products and, to a lower extent, higher net sales of **Green Tea** fragrances within the Company's Asia region, as well as growth in e-commerce net sales.

***Portfolio Segment***

*North America*

In North America, Portfolio segment net sales in the year ended December 31, 2020 decreased by $51.0 million, or 17.1%, to $247.9 million, as compared to $298.9 million in the year ended December 31, 2019. Excluding the $0.1 million unfavorable FX impact, Portfolio segment net sales in North America in the year ended December 31, 2020 decreased by $50.9 million, or 17.0%, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $55 million ($55 million XFX) to the Portfolio segment's decrease in net sales in North America in the year ended December 31, 2020, compared to the prior year period. The Portfolio segment's $50.9 million XFX decrease in North America net sales in the year ended December 31, 2020 was driven primarily by the Portfolio segment's lower net sales of **Almay** color

(all tabular amounts in millions, except share and per share amounts)

cosmetics, **CND** nail products and **American Crew** men's grooming products, due, primarily, to the continuing effects of the COVID-19 pandemic on the mass retail channel and on salons. This decrease was partially offset primarily by higher net sales of **Creme of Natur**e and certain other local and regional products brands, **Cutex** nail products and **Mitchum** anti-perspirant deodorants, as well as growth in e-commerce net sales.

*International*

Internationally, Portfolio segment net sales in the year ended December 31, 2020 decreased by $35.5 million, or 18.8%, to $153.4 million, compared to $188.9 million in the year ended December 31, 2019. Excluding the $2.9 million unfavorable FX impact, Portfolio segment International net sales decreased by $32.6 million, or 17.3%, in the year ended December 31, 2020, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $27 million ($27 million XFX) to the Portfolio segment's decrease in International net sales in the year ended December 31, 2020, compared to the prior year period. The Portfolio segment's $32.6 million XFX decrease in International net sales in the year ended December 31, 2020 was driven primarily by the Portfolio segment's lower net sales of certain local and regional skin care products brands, **American Crew** men's grooming products, **CND** nail products and **Almay** color cosmetics, as well as certain local and regional skin care products brands, primarily in the Company's EMEA region, due, primarily, to the continuing effects of the COVID-19 pandemic on the mass retail channel and salons. This decrease was partially offset primarily by higher net sales of **Creme of Natur**e.

***Fragrances Segment***

*North America*

In North America, Fragrances segment net sales in the year ended December 31, 2020 decreased by $55.8 million, or 18.0%, to $253.4 million, as compared to $309.2 million in the year ended December 31, 2019. Excluding the $0.1 million unfavorable FX impact, Fragrances segment net sales in North America decreased by $55.7 million, or 18.0%, in the year ended December 31, 2020, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $48 million ($48 million XFX) to the Fragrances segment's decrease in net sales in North America in the year ended December 31, 2020, compared to the prior year period. The Fragrances segment's $55.7 million XFX decrease in North America net sales in the year ended December 31, 2020 was driven primarily by the continuing impacts from the COVID-19 pandemic, especially in the prestige channel, resulting in decreased foot traffic and temporary door closures.

*International*

Internationally, Fragrances segment net sales in the year ended December 31, 2020 decreased by $46.1 million, or 32.1%, to $97.7 million, compared to $143.8 million in the year ended December 31, 2019. Excluding the $0.6 million unfavorable FX impact, Fragrances segment International net sales decreased by $45.5 million, or 31.6%, in the year ended December 31, 2020, compared to the year ended December 31, 2019. The ongoing and prolonged COVID-19 pandemic contributed an estimated $32 million ($32 million XFX) to the Fragrances segment's decrease in International net sales in the year ended December 31, 2020, compared to the prior year period. The Fragrances segment's $45.5 million XFX decrease in International net sales in the year ended December 31, 2020 was driven primarily by lower net sales in the Company's EMEA region and also, to a lesser extent, in the Company's Asia, Latin America and Pacific regions, due to the continuing impacts from the COVID-19 pandemic, resulting in decreased foot traffic and temporary door closures.

***Gross profit:***

The table below shows the Company's gross profit and gross margin for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | **2020** | **2019** | **Change** |
| Gross profit | $ 1,043.8 | $ 1,367.4 | $ (323.6) |
| *Percentage of net sales* | *54.8 %* | *56.5 %* | *(1.7)%* |

Gross profit decreased by $323.6 million in the year ended December 31, 2020, as compared to the year ended of 2019. Unfavorable sales volume, primarily driven by the effects of the ongoing and prolonged COVID-19 pandemic, decreased gross profit in the year ended December 31, 2020 by approximately $291 million, compared to the year ended December 31, 2019, with no impact on gross margin. Gross profit as a percentage of net sales (i.e., gross margin) in the year ended December 31,

(all tabular amounts in millions, except share and per share amounts)

2020 decreased by 1.7 percentage points, as compared to the year ended December 31, 2019. The decrease in gross margin in the year ended December 31, 2020, as compared to the year ended December 31, 2019, was impacted by the negative effect of product mix, mainly attributable to the ongoing effects of the ongoing and prolonged COVID-19 pandemic and higher manufacturing costs resulting, in part, from the ongoing and prolonged COVID-19 pandemic, partially offset by the impact of cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the COVID-19 pandemic on the Company's operations, as well as the Revlon 2020 Restructuring Program.

***SG&A expenses:***

The table below shows the Company's SG&A expenses for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | **2020** | **2019** | **Change** |
| SG&A expenses | $ 1,071.8 | $ 1,316.6 | $ (244.8) |

SG&A expenses decreased by $244.8 million in the year ended December 31, 2020, compared to the year ended December 31, 2019, driven primarily by:

- a net decrease of approximately $122 million in brand support expenses, resulting from the Company's ongoing cost reduction initiatives in response to the ongoing and prolonged COVID-19 pandemic and decreased media spend to align with the lower net sales primarily in North America and in the EMEA region, primarily within the Revlon segment and, to a lesser extent, within the other segments, partially offset by an increase in brand support to sustain sales growth in Asia and in e-commerce;
- lower general and administrative expenses of approximately $81 million, primarily driven by cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the ongoing and prolonged COVID-19 pandemic on the Company's operations, as well as the Revlon 2020 Restructuring Program; and
- lower distribution expenses of approximately $31 million, driven primarily by the net sales decline.

***Acquisition, integration and divestiture costs:***

The table below shows the Company's acquisition, integration and divestiture costs for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | **2020** | **2019** | **Change** |
| Integration Costs | $ — | $ 0.7 | $ (0.7) |
| Divestiture Costs | 5.0 | 3.2 | 1.8 |
| Total acquisition, integration and divestiture costs | $ 5.0 | $ 3.9 | $ 1.1 |

The Company incurred $5.0 million of divestiture costs in the year ended December 31, 2020 including $0.7 million in professional fees incurred in connection with the exploration of strategic transactions involving the Company and third parties pursuant to the Strategic Review and approximately $4.3 million relating to the amortization of the cash-based awards under Tier 1 and Tier 2 of the Revlon 2019 TIP (the "2019 TIP"). (See Note 12, "Stock Compensation Plan," to the Company's Consolidated Financial Statements in this Form 10-K for additional details on the 2019 TIP).

The Company incurred $3.2 million of divestiture costs in the year ended December 31, 2019 including $1.9 million in professional fees incurred in connection with the exploration of strategic transactions involving Revlon and third parties and approximately $1.3 million relating to the amortization of the cash-based awards under Tier 1 and Tier 2 of the Revlon 2019 Transaction Incentive Program. (See Note 12, "Stock Compensation Plan," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K for additional details on the 2019 TIP).

The Company incurred $0.7 million of integration costs in 2019 primarily related to the Company's integration of Elizabeth Arden's operations into the Company's business, including professional fees and employee-related costs.

(all tabular amounts in millions, except share and per share amounts)

***Restructuring charges and other, net:***

The table below shows the Company's restructuring charges and other, net for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2020 | 2019 | Change |
| Restructuring charges and other, net | $ 49.7 | $ 12.8 | $ 36.9 |

Restructuring charges and other, net, increased $36.9 million during the year ended December 31, 2020, compared to the year ended December 31, 2019, primarily due to higher charges in connection with the Revlon 2020 Restructuring Program, compared to the expenditures incurred primarily under the 2018 Optimization Program during 2019.

*Revlon 2020 Restructuring Program*

Building upon its previously-announced 2018 Optimization Program, in March 2020 the Company announced that it was implementing a worldwide organizational restructuring (the "Revlon 2020 Restructuring Program") designed to reduce the Company's SG&A expenses, as well as cost of goods sold, improve the Company's gross profit and Adjusted EBITDA and maximize productivity, cash flow and liquidity. The Revlon 2020 Restructuring Program includes rightsizing the organization and operating with more efficient workflows and processes. The leaner organizational structure is also expected to improve communication flow and cross-functional collaboration, leveraging the more efficient business processes.

As a result of the Revlon 2020 Restructuring Program, the Company expects to eliminate approximately 975 positions worldwide, including approximately 625 current employees and approximately 350 open positions of which approximately 915 were eliminated by December 31, 2020.

In March 2020, the Company began informing certain employees that were affected by the Revlon 2020 Restructuring Program. While certain aspects of the Revlon 2020 Restructuring Program may be subject to consultations with employees, works councils, unions and/or governmental authorities, the Company substantially completed the employee-related actions during 2020 and expects to complete the other consolidation and outsourcing actions during 2021 and 2022.

In connection with implementing the Revlon 2020 Restructuring Program, the Company recognized during 2020 $68.8 million of total pre-tax restructuring and related charges (the "2020 Restructuring Charges"), consisting primarily of employee-related costs, such as severance, retention and other contractual termination benefits. In addition, the Company expects restructuring charges in the range of $75 million to $85 million to be charged and paid during 2021 and 2022. The Company expects that substantially all of these restructuring and related charges will be paid in cash, with $51.5 million of the total charges paid in 2020, approximately $40 million to $45 million expected to be paid in 2021, with the balance expected to be paid in 2022. Since commencing the Revlon 2020 Restructuring Program and through December 31, 2020, the Company recorded $68.8 million of restructuring and related charges under the 2020 Restructuring Program consisting of: (i) $50.5 million of severance and other personnel costs; and (ii) $18.3 million of lease and other restructuring-related charges that were recorded within SG&A. Of these charges, $37.9 million and $13.6 million restructuring charges and SG&A charges respectively, were paid through December 31, 2020.

As a result of the Revlon 2020 Restructuring Program, the Company expects to deliver in the range of $200 million to $230 million of annualized cost reductions from 2020 through the end of 2022, with approximately 50% of these annualized cost reductions to be realized from the headcount reductions occurring in 2020. During 2020, the Company realized approximately $127 million of in-year cost reductions.

*2018 Optimization Program*

During 2018, the Company announced its 2018 Optimization Program designed to streamline the Company's operations, reporting structures and business processes, with the objective of maximizing productivity and improving profitability, cash flows and liquidity. During the year ended December 31, 2020, the Company recorded, under the 2018 Optimization Program, $0.6 million due to the reversal of previously accrued severance, personnel benefits and other restructuring costs, offset by $0.8 million of other restructuring-related charges that were recorded within SG&A and cost of sales. The Company recognized approximately $39.7 million of cumulative total pre-tax restructuring and related charges under the 2018 Optimization Program since its inception in November 2018, consisting of employee-related costs, such as severance, pension and other termination costs, as well as other related charges within SG&A and cost of sales and approximately $6.5 million of additional capital

(all tabular amounts in millions, except share and per share amounts)

expenditures. As of December 31, 2020, restructuring and related charges to be paid in cash under the 2018 Optimization Program totaled approximately $32 million of the total charges, of which $30.7 million were already paid through December 31, 2020, with any residual balance expected to be paid during the remainder of 2021.

During the year ended December 31, 2019, the Company recorded $12.8 million of restructuring charges primarily related to the 2018 Optimization Program.

For further information on the Revlon 2020 Restructuring Program, the 2018 Optimization Program and on the Company's other restructuring initiatives, see Note 2, "Restructuring Charges," to the Company's Consolidated Financial Statements in this Form 10-K.

***Impairment Charges:***

The table below shows the Company's impairment charges for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2020 | 2019 | Change |
| Impairment charges | $ 144.1 | $ — | $ 144.1 |

During the first, second and third quarters of 2020, as a result of the COVID-19 pandemic's impact on the Company's operations, the Company determined that indicators of potential impairment existed requiring the Company to perform interim impairment analyses. These indicators included a deterioration in the general economic conditions, developments in equity and credit markets, deterioration in some of the economic channels in which the Company's operates (especially in the mass retail channel), the recent trading values of the Company's capital stock and the corresponding decline in the Company's market capitalization and the revision of the Company's expected future cash flows as a result of the COVID-19 pandemic. Based on the first and second quarters of 2020 interim impairment analyses, the Company recorded $111.0 million and $33.1 million of total non-cash impairment charges on its goodwill and indefinite-lived intangible assets during 2020, respectively.

Furthermore, in the fourth quarter of 2020, in connection with its annual impairment analysis, the Company re-assessed whether further indicators of impairment existed that might result in additional impairment charges. Based upon such assessment, no additional impairment changes were recognized as of December 31, 2020.

For further information on these non-cash impairment charges, see Note 6, "Goodwill and Intangible Assets, Net," to the Company's Consolidated Financial Statements in this Form 10-K.

***Interest expense:***

The table below shows the Company's interest expense for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2020 | 2019 | Change |
| Interest expense | $ 243.3 | $ 196.6 | $ 46.7 |

The $46.7 million increase in interest expense during the year ended December 31, 2020, as compared to the year ended December 31, 2019, was primarily due to higher weighted average borrowings and higher weighted average interest rates driven primarily by the 2020 BrandCo Term Loan Facility.

***Gain on early extinguishment of debt:***

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2020 | 2019 | Change |
| Gain on early extinguishment of debt | $ (43.1) | $ — | $ (43.1) |

(all tabular amounts in millions, except share and per share amounts)

Gain on early extinguishment of debt for the year ended December 31, 2020 includes debt extinguishment gains of $31.2 million recorded during the third quarter of 2020 and $11.9 million recorded during the second quarter of 2020 upon the repurchase and subsequent cancellation of approximately $157.2 million in aggregate principal face amount of Products Corporation's 5.75% Senior Notes occurring in the third and second quarters of 2020.

For information on the terms and conditions of these debt instruments, see "Recent Developments," as well as Note 8, "Debt," and Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements in this Form 10-K. Also, please refer to "Financial Condition, Liquidity and Capital Resources - Long-Term Debt Instruments" in Item 7 of this Form 10-K for further information.

***Foreign currency gains, net:***

The table below shows the Company's foreign currency losses, net for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | **2020** | **2019** | **Change** |
| Foreign currency gains, net | $ (6.0) | $ (1.9) | $ (4.1) |

The $4.1 million increase in foreign currency gains, net, during the year ended December 31, 2020, compared to the year ended December 31, 2019, was primarily driven by the net favorable impact of foreign currency fluctuations on certain U.S. Dollar denominated intercompany payables compared to the prior year's period.

***Provision for income taxes:***

The table below shows the Company's provision for income taxes for the periods presented:

| | Year Ended December 31, | | |
|---|---|---|---|
| | **2020** | **2019** | **Change** |
| Provision for income taxes | $ 158.8 | $ 0.2 | $ 158.6 |

The Company recorded a provision for income taxes of $158.8 million for the year ended December 31, 2020, compared to a provision for income taxes of $0.2 million for the year ended December 31, 2019. The $158.6 million increase in the provision for income taxes for the year ended December 31, 2020, compared to same period in 2019, was primarily due to: (i) the increase in the valuation allowance recorded on net federal deferred tax assets, (ii) the mix and level of earnings; and (iii) non-deductible impairment charges for which no tax benefit is recognized.

The Company's effective tax rate for the year ended December 31, 2020 was lower than the federal statutory rate of 21% primarily due to the increase in the valuation allowance recorded on the net federal deferred tax assets and the impact of non-deductible impairment charges, partially offset by the impact of the "Coronavirus Aid, Relief and Economic Security Act" (the "CARES Act"), signed into law on March 27, 2020 by President Trump, which resulted in a partial release of a valuation allowance on the Company's 2019 federal tax attributes associated with the limitation on the deductibility of interest.

The CARES Act, among other things, includes provisions providing for refundable payroll tax credits, the deferral of employer social security tax payments, acceleration of alternative minimum tax credit refunds and the increase of the net interest deduction limitation from 30% to 50%. The Company has adopted the net interest deduction limitation of 50% for the taxable period ending December 31, 2020 as outlined in the CARES Act.

The Company's effective tax rate for the year ended December 31, 2019 was lower than the federal statutory rate of 21%, primarily due to the valuation allowance related to the limitation on the deductibility of interest and the U.S. tax on the Company's foreign earnings.

The Company expects that its tax provision and effective tax rate in any individual quarter and year-to-date period will vary and may not be indicative of the Company's tax provision and effective tax rate for the full year.

(all tabular amounts in millions, except share and per share amounts)

As of December 31, 2020, the Company concluded that, based on its evaluation of objectively verifiable evidence, it is no longer more likely than not that its net federal deferred tax assets are recoverable. In assessing the realizability of deferred tax assets, the key assumptions used to determine positive and negative evidence included the Company's cumulative taxable loss for the past three years, future reversals of existing taxable temporary differences, the Company's cost reduction initiatives and efficiency efforts, as well as the ongoing and prolonged impact COVID-19 pandemic on the Company. Accordingly, the Company recorded a charge of $189.5 million in the fourth quarter of 2020 as a reserve against its net federal deferred tax assets.

For further information, see Note 13, "Income Taxes," to the Company's Audited Consolidated Financial Statements in this Form 10-K.

**Results of Operations — Products Corporation**

Products Corporation's Consolidated Statements of Operations and Comprehensive Loss are essentially identical to Revlon, Inc.'s Consolidated Statements of Operations and Comprehensive Loss, except for the following:

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Net loss - Revlon, Inc. | $ (619.0) | $ (157.7) |
| Selling, general and administrative expenses - public company costs | 7.2 | 7.9 |
| Provision for income taxes | 18.3 | (1.4) |
| Net loss - Products Corporation | $ (593.5) | $ (151.2) |

Refer to Revlon's "Management Discussion and Analysis of Financial Condition and Results of Operations" herein.

**Financial Condition, Liquidity and Capital Resources**

At December 31, 2020, the Company had a liquidity position of $249.9 million, consisting of: (i) $97.1 million of unrestricted cash and cash equivalents (with approximately $89.8 million held outside the U.S.); (ii) $168.0 million in available borrowing capacity under the Amended 2016 Revolving Credit Facility (which had $188.9 million drawn at such date); and less (iii) approximately $15.2 million of outstanding checks. Under the Amended 2016 Revolving Credit Facility, as Products Corporation's consolidated fixed charge coverage ratio ("FCCR") was greater than 1.0 to 1.0 as of December 31, 2020, all of the approximately $168.0 million of availability under the Amended 2016 Revolving Credit Facility was available as of such date.

***Amended 2016 Revolving Credit Facility and 2018 Foreign Asset-Based Term Facility***

On March 8, 2021, the Company amended its Amended 2016 Revolving Credit Facility to, among other things, extend the maturity date of the revolving facility thereunder from September 7, 2021 to June 8, 2023. Additionally, on March 2, 2021, the Company refinanced its 2018 Foreign Asset-Based Term Facility that was scheduled to mature on July 9, 2021 with a $75 million asset-based term loan facility with a scheduled maturity date of March 2, 2024, subject to a springing maturity date of August 1, 2023 if, on such date, any principal amount of loans under the 2016 Term Loan Agreement due September 7, 2023 remain outstanding. For further details of these financing transactions, see Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements in this Form 10-K

***5.75% Senior Notes Exchange Offer***

On November 13, 2020, Products Corporation completed its previously-announced offer to exchange (as amended, the "Exchange Offer") any and all of the then-outstanding $342.8 million aggregate principal amount of its 5.75% Senior Notes scheduled to mature on February 15, 2021 5.75%, on terms set forth in the amended and restated Offering Memorandum and Consent Solicitation Statement dated October 23, 2020. Concurrently with the Exchange Offer, Products Corporation solicited consents (the "Consent Solicitation") to adopt certain proposed amendments to the indenture governing the 5.75% Senior
Notes, dated as of February 13, 2013, among Products Corporation, the guarantors party thereto and U.S. Bank National Association (the "5.75% Senior Notes Indenture") to eliminate substantially all of the restricted covenants and certain events of default provisions from the 5.75% Senior Notes Indenture. The Exchange Offer and Consent Solicitation expired at 11:59 p.m., New York City time, on November 10, 2020 (the "Expiration Time").

For each $1,000 principal amount of 5.75% Senior Notes validly tendered before the Expiration Time, holders received either, at their option, (i) $275 in cash (plus a $50 early tender/consent fee payable for an aggregate of $325 in cash, or (ii) if the holder was an Eligible Holder (as hereinafter defined), a combination of (1) $200 in cash (plus a $50 early tender/consent fee, for an aggregate of $250 in cash, plus, (2) (A) the Per $1,000 Pro Rata Share (as hereinafter defined) of $50 million in aggregate principal amount of new 2020 ABL FILO Term Loans (as hereinafter defined) and (B) the Per $1,000 Pro Rata Share of $75 million in aggregate principal amount of the New BrandCo Second-Lien Term Loans (as hereinafter defined) (the "Mixed Consideration").

At the Expiration Time, $236 million in aggregate principal amount of 5.75% Senior Notes, representing 68.8% of the total outstanding principal amount of the 5.75% Senior Notes, was validly tendered and not validly withdrawn. On November 13, 2020, immediately after Products Corporation accepted for exchange the 5.75% Senior Notes that were validly tendered and made payment therefore, Products Corporation used cash on hand to redeem, effective as of November 13, 2020, the remaining $106.8 million in aggregate principal amount of 5.75% Senior Notes pursuant to the terms of the 5.75% Senior Notes Indenture. Following the consummation of the Exchange Offer and the satisfaction and full discharge of the 5.75% Senior Notes, no 5.75% Senior Notes remained outstanding. Accrued and unpaid interest on the 5.75% Senior Notes that were tendered in the Exchange Offer was paid to, but not including, the settlement date of the Exchange Offer.

The 2020 ABL FILO Term Loans are new “Tranche B” term loans in the aggregate principal amount of $50 million, ranking junior in right of payment to the “Tranche A” revolving loans under the Amended 2016 Revolving Credit Agreement (as hereinafter defined) and equal in right of payment with all existing and future unsubordinated indebtedness of Products Corporation and the guarantors under the Amended 2016 Revolving Credit Agreement (such new Tranche B term loans, the “2020 ABL FILO Term Loans”). The 2020 ABL FILO Term Loans will mature the earlier of December 15, 2023 and six months after the maturity date of the Tranche A Loans (and any extension thereof in part or in whole). The 2020 ABL FILO Term Loans bear interest at a rate of LIBOR (subject to a 1.75% floor) plus 8.50% per annum, accruing from the settlement date of the Exchange Offer. The borrowing base for the 2020 ABL FILO Term Loans consists of an advance rate of 100% of eligible collateral with a customary push down reserve, with collateral consisting of: (i) a first-priority lien on accounts receivable, inventory, cash, negotiable instruments, chattel paper, investment property (other than capital stock), equipment and real property of Products Corporation and the subsidiary guarantors, subject to customary exceptions (the “Priority Collateral”); and (ii) a second-priority lien on substantially all tangible and intangible personal property of Products Corporation and the subsidiary guarantors, subject to customary exclusions (other than the Priority Collateral).

The New BrandCo Second Lien Term Loans issued pursuant to the Exchange Offer are “Term B-2 Loans” in the aggregate principal amount of $75 million (ranking junior to the Term B-1 Loans and senior to the Term B-3 Loans with respect to liens on certain specified collateral) under the 2020 BrandCo Term Loan Facility (such Term B-2 Loans, the “New BrandCo Second-Lien Term Loans”).

The Exchange Offer with respect to the tendering holders represented a Troubled Debt Restructuring ("TDR") in accordance with ASC 470, Debt, as both criteria for a TDR where met, namely: (i) the creditors granted a concession, and (ii) the Company was experiencing financial difficulties. Since the expected future undiscounted cash flows under the New 2020 ABL FILO Term Loan and the New BrandCo Second-Lien Term Loans exchanged in the transaction are higher than the net carrying value of the original 5.75% Senior Notes remaining after any partial cash settlement (once prior loans with same lenders have also been considered, as applicable), no gain was recorded and a new effective interest rate was established based on the revised cash flows and the remaining net carrying value of the original 5.75% Senior Notes.

Following the closing of the Exchange Offer, as of December 31, 2020, the following aggregate principal amounts are outstanding:

- $50.0 million of New 2020 ABL FILO Term Loans; and
- $75.0 million of New BrandCo Second-Lien Term Loans.

Following the applicability of the TDR guidance and based on a net carrying value of the original 5.75% Senior Notes of approximately $175.5 million remaining after partial cash settlements, future interest payments of approximately $50.5 million were also included in the carrying value of the restructured debt as of the day of closing of the Exchange Offer. Additionally, to the amounts stated above, $17.5 million of New BrandCo Second-Lien Term Loans was added following the recognition of
Paid-In-Kind ("PIK") consent fees that were earned by the lenders on the day of closing of the Exchange Offer, (which are amortized over the term of the restructured debt agreements), in accordance with the BrandCo TSA as defined further below in this section within "Subsequent Amendments to the 2020 BrandCo Term Loan Facility".

In accordance with the aforementioned TDR guidance, fees and expenses incurred to third parties in connection with consummating the Exchange Offer of approximately $13.8 million were expensed as professional fees within SG&A on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

***2020 BrandCo Refinancing Transactions***

On May 7, 2020 (the “BrandCo 2020 Facilities Closing Date”), Products Corporation entered into a term credit agreement (the “2020 BrandCo Credit Agreement”) with Jefferies Finance LLC, as administrative agent and collateral agent, and certain financial institutions (the “2020 Facilities Lenders”) that are lenders or the affiliates of lenders under Products Corporation’s Term Loan Credit Agreement, dated as of September 7, 2016 and amended on April 30, 2020 and as amended on the BrandCo 2020 Facilities Closing Date, as further described below (as amended to date, the “2016 Term Loan Facility”) and the Amended 2016 Revolving Credit Facility, collectively referred to as the "2016 Senior Credit Facilities"). Pursuant to the 2020 BrandCo Credit Agreement, the 2020 Facilities Lenders provided Products Corporation with new and roll-up senior secured term loan facilities (the “2020 BrandCo Facilities” and, collectively, the "2020 BrandCo Term Loan Facility" and, together with the use of proceeds thereof and the Extension Amendment, the “2020 BrandCo Refinancing Transactions”).

*Principal and Maturity:* The 2020 BrandCo Facilities consist of: (i) a senior secured term loan facility in an aggregate principal amount outstanding on the BrandCo 2020 Facilities Closing Date of $815.0 million, plus the amount of certain fees and accrued interest that have been capitalized (the “2020 BrandCo Facility”); (ii) commitments in respect of a senior secured term loan facility in an aggregate principal amount of $950 million (the “Roll-up BrandCo Facility”); and (iii) a senior secured term loan facility in an aggregate principal amount outstanding on the BrandCo 2020 Facilities Closing Date of $3.0 million (the “Junior Roll-up BrandCo Facility”). Additionally, on May 28, 2020, Products Corporation borrowed from the 2020 Facilities Lenders an additional $65.0 million of term loans under the 2020 BrandCo Facility to repay in full the 2020 Incremental Facility under the 2016 Term Loan Facility, as a result of which the 2020 BrandCo Facility at June 30, 2020 had an aggregate principal amount outstanding of $910.6 million (including paid-in-kind closing fees of $29.1 million and paid-in-kind interest of $1.5 million that were capitalized). Additionally, during 2020, certain lenders under the 2016 Term Loan Facility, representing $846.0 million in aggregate principal outstanding, rolled-up to the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility, as a result of which the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility at September 30, 2020 had an aggregate principal amount outstanding of $846.0 million. The Company determined that the roll-up of such 2016 Term Loan Facility lenders into the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility represented a debt modification under U.S. GAAP, as the cash flow effect between the amount that Products Corporation owed to the participating lenders under the old debt instrument (i.e., the 2016 Term Loan Facility) and the amount that Products Corporation owed to such lenders after the consummation of the roll-up into the new debt instrument (i.e., the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility) on a present value basis was less than 10% and, thus, the debt instruments were not considered to be substantially different within the meaning of ASC 470, Debt, under U.S. GAAP.

The proceeds of the 2020 BrandCo Facility were used: (i) to repay in full approximately $200 million of indebtedness outstanding under Products Corporation’s 2019 Term Loan Facility; (ii) to repay in full and terminate commitments under the 2020 Incremental Facility; and (iii) to pay fees and expenses in connection with the 2020 BrandCo Facilities and the 2020 BrandCo Refinancing Transactions. The Company will use the remaining net proceeds for general corporate purposes. The proceeds of the Roll-up BrandCo Facility are available prior to the third anniversary of the BrandCo 2020 Facilities Closing Date to purchase at par an equivalent amount of any remaining term loans under the 2016 Term Loan Facility held by the lenders participating in the 2020 BrandCo Facility or their transferees. During the three months ended June 30, 2020 and the three months ended September 30, 2020, certain lenders under the 2016 Term Loan Facility due June 2023, representing $846.0 million in aggregate principal outstanding, rolled-up to the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility due June 2025, as a result of which the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility at September 30, 2020 have an aggregate principal amount outstanding of $846.0 million, with a remaining capacity for the roll-up of loans under the 2016 Term Loan Facility of $107.0 million. See “Subsequent Amendments to the 2020 BrandCo Term Loan Facility” regarding the Supporting BrandCo Lenders subsequently relinquishing certain Roll-up Rights and Products Corporation’s issuance of the BrandCo Support and Consent Consideration.

The 2020 BrandCo Facilities will mature on June 30, 2025, subject to a springing maturity 91 days prior to the August 1, 2024 maturity date of Products Corporation's 6.25% Senior Notes if, on such date, $100 million or more in aggregate principal amount of the 6.25% Senior Notes remain outstanding.

The Company incurred approximately $119.3 million of new debt issuance costs in connection with closing the 2020 BrandCo Facility, which include paid-in kind amounts that are recorded as an adjustment to the carrying amount of the related liability and amortized to interest expense in accordance with the effective interest method over the term of the 2020 BrandCo Facilities.

*Borrower, Guarantees and Security:* Products Corporation is the borrower under the 2020 BrandCo Facilities and the 2020 BrandCo Facilities are guaranteed by certain of Products Corporation's indirect subsidiaries (the "BrandCos") that hold certain intellectual property assets related to the Elizabeth Arden and American Crew brands, certain other Portfolio segment brands and certain owned Fragrance segment brands (the "Specified Brand Assets"). While the BrandCos do not guarantee the 2016 Term Loan Facility, all guarantors of the 2016 Term Loan Facility guarantee the 2020 BrandCo Facilities. All of the assets of the BrandCos (including all capital stock issued by the BrandCos) have been pledged to secure the 2020 BrandCo Facility on a first-priority basis, the Roll-up BrandCo Facility on a second-priority basis and the Junior Roll-up BrandCo Facility on a third-priority basis and while such assets do not secure the 2016 Term Loan Facility, the 2020 BrandCo Facilities are secured on a pari passu basis by the assets securing the 2016 Term Loan Facility.

*Contribution and License Agreements:* In connection with the pledge of the Specified Brand Assets, Products Corporation and certain of its subsidiaries contributed the Specified Brand Assets to the BrandCos. Products Corporation entered into license and royalty arrangements on arm's length terms with the relevant BrandCos to provide for the continued use of the Specified Brand Assets by Products Corporation and its subsidiaries during the term of the 2020 BrandCo Facilities.

*Interest and Fees:* Loans under the 2020 BrandCo Facility bear interest at a rate equal to LIBOR (with a LIBOR floor of 1.50%) plus (x) 10.50% per annum, payable not less than quarterly in arrears in cash and (y) 2.00% per annum payable not less than quarterly in-kind by adding such amount to the principal amount of outstanding loans under the 2020 BrandCo Facility. Loans under the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility bear interest at a rate equal to LIBOR (with a LIBOR floor of 0.75%) plus 3.50% per annum, payable not less than quarterly in arrears in cash.

*Affirmative and Negative Covenants*: The 2020 BrandCo Facilities contain certain affirmative and negative covenants that, among other things, limit Products Corporation's and its restricted subsidiaries' ability to: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated, unsecured or junior lien debt; (vii) enter into certain transactions with their affiliates; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The 2020 BrandCo Facilities also restrict distributions and other payments from the BrandCos based on certain minimum thresholds of net sales with respect to the Specified Brand Assets. The 2020 BrandCo Facilities also contain certain customary representations, warranties and events of default, including a cross default provision making it an event of default under the 2020 BrandCo Credit Agreement if there is an event of default under Products Corporation's existing 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement or the indentures governing the 6.25% Senior Notes Indenture. The lenders under the 2020 BrandCo Credit Agreement may declare all outstanding loans under the 2020 BrandCo Facilities to be due and payable immediately upon an event of default. Under such circumstances, the lenders under the 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement, and the holders under the Senior Notes Indentures may also declare all outstanding amounts under such instruments to be due and payable immediately as a result of similar cross default or cross acceleration provisions, subject to certain exceptions and limitations described in the relevant instruments.

*Prepayments*: The 2020 BrandCo Facilities are subject to certain mandatory prepayments, including from the net proceeds from the issuance of certain additional debt and asset sale proceeds of certain non-ordinary course asset sales or other dispositions of property, subject to certain exceptions. The 2020 BrandCo Facilities may be repaid at any time, subject to customary prepayment premiums.

The aggregate principal amount outstanding under the 2020 BrandCo Term Loan Facility at December 31, 2020 was $1,868.4 million, including $846.0 million of principal rolled-up from the 2016 Term Loan Facility to the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility.

*Subsequent Amendments to the 2020 BrandCo Term Loan Facility*

Prior to consummating the Exchange Offer Products Corporation and certain lenders under the 2020 BrandCo Term Loan Facility, representing more than a majority in aggregate principal amount of loans thereunder (the "Supporting BrandCo Lenders"), entered into a Transaction Support Agreement (the "BrandCo TSA") under which the Supporting BrandCo Lenders agreed to take certain actions to facilitate the Exchange Offer and Consent Solicitation, including, among other things:

- Relinquishing certain rights of such Supporting BrandCo Lenders to "roll-up" loans held by such Supporting BrandCo Lenders under the 2016 Term Loan Facility into New BrandCo Second-Lien Term Loans under the 2020 BrandCo Term Loan Facility (the "Roll-up Rights");
- Tendering any then-existing 5.75% Senior Notes held by such Supporting BrandCo Lenders into the Exchange Offer and Consent Solicitation;
- Consenting to amendments to the 2020 BrandCo Term Loan Facility to permit the exchange of then-existing 5.75% Senior Notes for the New BrandCo Second-Lien Term Loans under the 2020 BrandCo Term Loan Facility as contemplated by the Offering Memorandum and the payment of the BrandCo Support and Consent Consideration (as hereinafter defined);
- Consenting to other amendments to the 2020 BrandCo Term Loan Facility and the Amended 2016 Revolving Credit Facility to permit the Exchange Offer and Consent Solicitation to be completed as contemplated by the Offering Memorandum; and
- Supporting and cooperating with Products Corporation to consummate the transactions contemplated by the BrandCo TSA and the Offering Memorandum, including the Exchange Offer and Consent Solicitation.

In connection with such amendments, Products Corporation agreed to provide the following consideration (collectively, the "BrandCo Support and Consent Consideration") upon the successful consummation of the Exchange Offer:

1. $12.5 million aggregate principal amount of New BrandCo Second-Lien Term Loans as a fee to the Supporting BrandCo Lenders under the BrandCo TSA in connection with such Supporting BrandCo Lenders' relinquishment of their Roll-up Rights;
2. $10.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans to one of the Supporting BrandCo Lenders in exchange for $18.7 million aggregate principal amount of Products Corporation's 6.25% Senior Notes held by such Supporting BrandCo Lender; and
3. to all lenders under the 2020 BrandCo Term Loan Facility (including the Supporting BrandCo Lenders), an amendment fee that was payable pro rata based on principal amount of loans consenting, consisting of, at Products Corporation's option, either (x) an aggregate of $2.5 million of cash or (y) $5.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans. Pursuant to the BrandCo Amendment, Products Corporation elected to pay this fee in-kind in the form of $5.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans.

Upon the successful closing of the Exchange Offer, the Company capitalized the aforementioned paid-in-kind closing fees of $12.5 million and $5.0 million to the aggregate principal amount of New BrandCo Second-Lien Term Loans issued in connection with the Exchange Offer.

Upon the successful closing of the Exchange Offer, the Company evaluated the aforementioned $10.0 million of New BrandCo Second-Lien Term Loans issued to one of the Supporting BrandCo Lenders in exchange for $18.7 million aggregate principal amount of Products Corporation's 6.25% Senior Notes due 2024 held by such Supporting BrandCo Lender and determined that it represented a TDR in accordance with ASC 470, Debt, as both criteria for a TDR where met, namely: (i) the creditors granted a concession, and (ii) the Company was experiencing financial difficulties. Since the expected future undiscounted cash flows under the New BrandCo Second-Lien Term Loans exchanged in the transaction are higher than the net carrying value of the original 6.25% Senior Notes held by this lender (once prior loans with the same lender have also been considered), no gain was recorded and a new effective interest rate was established based on the revised cash flows and the net carrying value of the above-mentioned 6.25% Senior Notes that were exchanged in the transaction. Following the applicability of the TDR guidance, future interest payments of $8.7 million as of the day of closing of the Exchange Offer were also included in the carrying value of the restructured debt.

On November 13, 2020, Products Corporation entered into that certain Amendment No. 1 (the “BrandCo Amendment”) to the 2020 BrandCo Credit Agreement in connection with the Exchange Offer in order to, among other things, provide for the incurrence of $75 million in aggregate principal amount of New BrandCo Second-Lien Term Loans (exclusive of the BrandCo Support and Consent Consideration). The New BrandCo Second Lien Term Loans are a separate tranche of “Term B-2 Loans” (ranking junior to the Term B-1 Loans and senior to the Term B-3 Loans with respect to liens on certain specified collateral) under the BrandCo Credit Agreement. Except as to the use of proceeds, the terms of the New BrandCo Second-Lien Term Loans are substantially consistent with the other Term B-2 Loans. In connection with the BrandCo Amendment, Products Corporation paid certain fees to the lenders in-kind in the form of New BrandCo Second-Lien Term Loans in accordance with the BrandCo TSA.

***2016 Term Loan Facility Extension Amendment***

In connection with the closing of the 2020 BrandCo Facility on May 7, 2020, term loan lenders under the 2016 Term Loan Facility were offered the opportunity to participate at par in the 2020 BrandCo Facilities based on their holdings of term loans under the 2016 Term Loan Facility. Lenders participating in the 2020 BrandCo Facilities, as well as other consenting lenders representing, in the aggregate, a majority of the loans and commitments under the 2016 Term Loan Facility, consented to an amendment to the 2016 Term Loan Facility (the “Extension Amendment”) that, among other things, made certain modifications to the covenants thereof and extended the maturity date of certain consenting lenders’ term loans (“Extended Term Loans”) to June 30, 2025, subject to (i) the same September 7, 2023 springing maturity date of the non-extended term loans under the 2016 Term Loan Facility if, on such date, $75 million or more in aggregate principal amount of the non-extended term loans under the 2016 Term Loan Facility remains outstanding, and (ii) a springing maturity of 91 days prior to the August 1, 2024 maturity date of the 6.25% Senior Notes if, on such date, $100 million or more in aggregate principal amount of the 6.25% Senior Notes remains outstanding. The Extension Amendment became effective on the BrandCo 2020 Facilities Closing Date. As of December 31, 2020, approximately $30.6 million in aggregate principal amount of Extended Term Loans were outstanding after giving effect to the 2020 BrandCo Refinancing Transactions. The Extended Term Loans bear interest at a rate of LIBOR (with a LIBOR floor of 0.75%) plus 3.50% per annum, payable not less than quarterly in arrears in cash, consistent with the interest rate applicable to the non-extended term loans. Approximately $17.0 million of accrued interest outstanding on the 2016 Term Loan Facility was paid on the BrandCo 2020 Facilities Closing Date. As a result of such transaction, as of December 31, 2020, $853.3 million of the 2016 Term Loan Facility is scheduled to mature on the Original Maturity Date and $30.6 million is scheduled to mature on the Extended Maturity Date and, thus, the aggregate principal amount outstanding under the 2016 Term Loan Facility at December 31, 2020 was $883.9 million.

***Repurchases of 5.75% Senior Notes due 2021***

On May 7, 2020, Products Corporation used a portion of the proceeds from the 2020 BrandCo Facility to repurchase and subsequently cancel $50 million in aggregate principal face amount of its 5.75% Senior Notes. Products Corporation also paid approximately $0.7 million of accrued interest outstanding on the 5.75% Senior Notes on May 7, 2020. After the BrandCo 2020 Facilities Closing Date, Products Corporation repurchased and subsequently canceled in July 2020 a further $62.8 million in aggregate principal face amount of its 5.75% Senior Notes. Furthermore, during the remainder of the year ended December 31, 2020, Products Corporation repurchased and subsequently canceled an additional $44.4 million in aggregate principal face amount of its 5.75% Senior Notes. Accordingly, as of December 31, 2020, Products Corporation had repurchased and subsequently cancelled a total of approximately $157.2 million in aggregate principal face amount of its 5.75% Senior Notes, resulting in a gain on extinguishment of debt of approximately $43.1 million for the year ended December 31, 2020, which was recorded within "Gain on early extinguishment of debt" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020. See hereinafter for more information regarding Products Corporation's 5.75% Senior Notes and the related Exchange Offer. Following the consummation of the Exchange Offer and the satisfaction and full discharge of the remaining 5.75% Senior Notes, no 5.75% Senior Notes remain outstanding as of December 31, 2020.

***Prepayment of the 2019 Term Loan Facility due 2023***

On the BrandCo 2020 Facilities Closing Date, Products Corporation used a portion of the proceeds from the 2020 BrandCo Facility to fully prepay the entire principal amount outstanding under its 2019 Term Loan Facility, totaling $200 million, plus approximately $1.3 million of accrued interest outstanding thereon, as well as approximately $33.5 million in prepayment premiums, $10.3 million in lenders' fees, $0.3 million in legal fees and approximately $2.0 million in other third party fees. As the lenders under the 2019 Term Loan Facility participated in the 2020 BrandCo Term Loan Facility, the Company determined that the full repayment of the 2019 Term Loan Facility represented a debt modification under U.S. GAAP as the cash flow effect between the old debt instrument (i.e., the 2019 Term Loan Facility) and the new debt instrument (i.e., the 2020 BrandCo Facility) on a present value basis was less than 10% and, thus, the debt instruments were not considered to be substantially different within the meaning of ASC 470, Debt, under U.S. GAAP. Accordingly, the $33.5 million of prepayment premiums, as well as the $10.3 million in other lenders' fees were capitalized as part of the aforementioned $119.3 million of total new debt issuance costs for the 2020 BrandCo Term Loan Facility, while the aforementioned $0.3 million of legal fees and $2.0 million in other third party fees were expensed as incurred in the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

***Amendment to the 2018 Foreign Asset-Based Term Facility***

On May 4, 2020, the Company entered into an amendment to the 2018 Foreign Asset Based Term Facility, which had an original outstanding principal amount of €77 million. Such amendment provided for the following:

- increasing the interest rate on the loan from EURIBOR (with a floor 0.50%) plus a margin of 6.50% to EURIBOR (with a floor 0.50%) plus a margin of 7.00%;
- amending the percentages applied in computing the borrowing base from 85% to 78.75% for eligible accounts receivable and from 90% to 80% against the net orderly liquidation value of eligible inventory;

- adding a springing maturity date of 91 days prior to the February 15, 2021 maturity of the 5.75% Senior Notes if any of Products Corporation's 5.75% Senior Notes remained outstanding on such date;
- requiring a mandatory prepayment of €5.0 million; and
- clarifying certain terms and waiving certain provisions in connection with the 2020 BrandCo Refinancing Transactions.

Approximately $0.4 million of amendment fees paid to the lenders under 2018 Foreign Asset-Based Term Facility were capitalized and are amortized to interest expense, together with any unamortized debt issuance costs outstanding prior to the amendment. The 2018 Foreign Asset-Based Term Facility was a euro-denominated senior secured asset-based term loan facility that various, mostly foreign subsidiaries of Products Corporation entered into on July 9, 2018 and which was scheduled to mature on July 9, 2021. As of December 31, 2020, there was the Euro equivalent of $59.2 million aggregate principal outstanding under the 2018 Foreign Asset-Based Term Facility, reflecting a repayment of €28.5 million made during the quarter ended June 30, 2020.

The 2018 Foreign Asset Based Term Facility was subsequently refinanced and replaced in its entirety by the 2021 Foreign Asset-Based Term Facility. See Note 21, “Subsequent Events,” to the Company's Consolidated Financial Statements in this Form 10-K.

***Amendments to the 2016 Revolving Credit Facility Agreement***

On October 23, 2020 (the “Amendment No. 5 Effective Date”), Products Corporation entered into Amendment No. 5 (“Amendment No. 5”) to its Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as amended from time to time, the “Amended 2016 Revolving Credit Facility”, and the revolving credit facility thereunder, the “Amended 2016 Revolving Credit Facility”; the Amended 2016 Revolving Credit Agreement, together with the 2016 Credit Agreement, the “2016 Credit Agreements”).

The Amendment No. 5 amended and restated the Amended 2016 Revolving Credit Agreement to add a new Tranche B consisting of $50 million aggregate principal amount of “first-in, last-out” Tranche B term loans (such new Tranche B, the “2020 ABL FILO Term Loan Facility”). The Amendment No. 5 also required Products Corporation to maintain "Excess Availability" (as defined in Amendment No. 5) of at least $85 million from the Amendment No. 5 Effective Date until the transactions contemplated by the Exchange Offer were consummated (such date, the “Exchange Offer Effective Date”). As a result, on October 23, 2020, Products Corporation repaid $35 million of Tranche A loans under the Amended 2016 Revolving Credit Agreement.

On the Exchange Offer Effective Date, Products Corporation’s As-Adjusted Liquidity was required to be at least $175 million (which condition was satisfied) and Products Corporation could not hold more than $100 million in cash or Cash Equivalents (as defined in the 5th Amendment). Furthermore, the 5$^{th}$ Amendment provided that a $30 million reserve will be automatically and immediately established against the Tranche A Borrowing Base (as defined in the 5th Amendment) if the results of ongoing appraisals and field exams were not delivered to the administrative agent prior to the occurrence of certain specified defaults.

Products Corporation paid customary fees to Alter Domus (US) LLC as the administrative agent for the 2020 ABL FILO Term Loan Facility. Except as to maturity date, interest, borrowing base and differences due to their nature as term loans, the terms of the 2020 ABL FILO Term Loans are otherwise substantially consistent with the Tranche A Revolving Loans.

On May 7, 2020, in connection with consummating the 2020 BrandCo Refinancing Transactions, Products Corporation entered into Amendment No. 4 to (the “Amendment No. 4”) to the 2016 Revolving Credit Facility. Amendment No. 4, among other things, made certain amendments and provided for certain waivers relating to the 2020 BrandCo Refinancing Transactions under the 2016 Revolving Credit Facility. In exchange for such amendments and waivers, the interest rate margin applicable to loans under Tranche A of the 2016 Revolving Credit Facility increased by 0.75%. In connection with the amendments to the 2018 Tranche B of the 2016 Revolving Credit Facility (which was fully repaid on its May 17, 2020 extended maturity date), Products Corporation incurred approximately $1.1 million in lender's fees that upon its full repayment were entirely expensed within “Miscellaneous, net” on the Company's Consolidated Statement of Operations and Comprehensive Loss as of December 31, 2020.

On April 17, 2020 (the “FILO Closing Date”), Products Corporation entered into Amendment No. 3 to the 2016 Revolving Credit Facility (“Amendment No. 3”), pursuant to which, the maturity date applicable to $36.3 million of loans under the $41.5 million senior secured first in, last out 2018 Tranche B under the 2016 Revolving Credit Facility (the “2018 FILO Tranche”) was extended from April 17, 2020 to May 17, 2020 (the “Amendment No. 3 Extended Maturity Date”). Products Corporation repaid the remaining approximately $5.2 million of the 2018 FILO Tranche loans as of the FILO Closing Date. In addition, Amendment No. 3 increased the applicable interest margin for the 2018 FILO Tranche by 0.75%, subject to a LIBOR floor of 0.75%. Products Corporation fully repaid the 2018 FILO Tranche on the Amendment No. 3 Extended Maturity Date.

Total borrowings at face amount under Tranche A and Tranche B of the Amended 2016 Revolving Credit Facility at December 31, 2020 were $138.9 million and $50 million, respectively.

***MacAndrews & Forbes 2020 Restated Line of Credit Facility***

In light of the upcoming maturity on July 9, 2021 of the 2018 Foreign Asset-Based Term Facility (as hereinafter defined) and the expiration on December 31, 2020 of the Amended 2019 Senior Line of Credit Facility (see "Previous Years' Debt Related Transaction" for further details about the Amended 2019 Senior Line of Credit Agreement), the Company sought to refinance or extend both the 2018 Foreign Asset-Based Term Facility and the Amended 2019 Senior Line of Credit Facility. Products Corporation sought to do so in order to reinforce its liquidity position to be better able to address the current business and economic environment and prepare for any further potential disruptions to its business and operations as may be brought on by the ongoing COVID-19 pandemic or other events.

As a result, and anticipating a future refinancing of the 2018 Foreign Asset-Based Term Facility (a “Future Refinanced European ABL Facility”), on September 28, 2020, Products Corporation and MacAndrews & Forbes Group, LLC (“M&F”) entered into the Second Amended and Restated 2019 Senior Unsecured Line of Credit Facility (the “2020 Restated Line of Credit Facility”), which amended and restated the Amended 2019 Senior Line of Credit Facility and will provide Products Corporation with up to a $30 million tranche of a new facility of the 2018 Foreign Asset-Based Term Facility (the “New European ABL FILO Facility”) that would be secured on a “last-out” basis by the same collateral as the 2018 Foreign Asset-Based Term Facility or, if no Future Refinanced European ABL Facility is obtained, a stand-alone $30 million credit facility secured by the same collateral as the 2018 Foreign Asset-Based Term Facility when that facility is terminated, in each case, subject to a borrowing base. As of December 31, 2020, there were no borrowings outstanding under the 2020 Restated Line of Credit Facility, and the 2020 Restated Line of Credit Facility terminated on such date. M&F’s commitment in respect of the New European ABL FILO Facility survived the termination of the 2020 Restated Line of Credit Facility and, if not used, would have terminated on July 9, 2021.

The New European ABL FILO Facility would mature on (x) the maturity date of any such Future Refinanced European ABL Facility or (y) if there is no Future Refinanced European ABL Facility, July 9, 2022. To the extent the Future Refinanced European ABL Facility exceeds $35.0 million in principal amount, the amount available under the New European ABL FILO Facility would decrease on a dollar-for-dollar basis, such that, if Products Corporation were able to obtain a Future Refinanced ABL Facility of $65.0 million from third parties, there would be no amounts available under the New European

ABL FILO Facility. The interest rate for the New European ABL FILO Facility will be LIBOR plus 10.00%. The covenants for the New European ABL FILO Facility would be substantially the same as those applicable to the 2018 European ABL Facility.

Upon the closing of the 2021 Asset-Based Term Facility on March 2, 2021 without the participation of M&F as a lender, M&F's commitment in respect of the New European ABL FILO Facility under the 2020 Restated Line of Credit Facility terminated in accordance with its terms (see Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements).

***Incremental Revolving Credit Facility under the 2016 Term Loan Agreement***

On April 30, 2020, Products Corporation entered into a Joinder Agreement (the "2020 Joinder Agreement"), with Revlon, certain of their subsidiaries and certain existing lenders (the "Incremental Lenders") under Products Corporation's 2016 Term Loan Agreement (the "2016 Term Loan Agreement") to provide for a $65 million incremental revolving credit facility (the "2020 Incremental Facility"). On the closing of the 2020 Incremental Facility, Products Corporation borrowed $63.5 million of revolving loans for working capital purposes and subsequently on May 11, 2020 Products Corporation also borrowed the additional $1.5 million of delayed funding revolving loans. Prior to its full repayment on May 28, 2020, amounts outstanding under the 2020 Incremental Facility bore interest at a rate of (x) LIBOR plus 16% or (y) an Alternate Base Rate plus 15%, at Products Corporation's option. Except as to pricing, maturity and differences due to its revolving nature, the terms of the 2020 Incremental Facility were otherwise substantially consistent with the existing term loans under the 2016 Term Loan Facility. On May 28, 2020, the 2020 Incremental Facility was repaid in full, and the commitments thereunder terminated. Upon such repayment, approximately $2.9 million of upfront commitment fees that Products Corporation incurred in connection with consummating the 2020 Incremental Facility were entirely expensed within "Miscellaneous, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

***Changes in Cash Flows***

As of December 31, 2020, the Company had cash, cash equivalents and restricted cash of $102.5 million, compared with $104.5 million at December 31, 2019. The following table summarizes the Company's cash flows from operating, investing and financing activities for the periods presented:

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Net cash used in operating activities | $ (97.3) | $ (68.3) |
| Net cash (used in) provided by investing activities | (10.3) | 2.1 |
| Net cash provided by financing activities | 102.5 | 84.3 |
| Effect of exchange rate changes on cash and cash equivalents | 3.1 | (1.1) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (2.0) | 17.0 |
| Cash, cash equivalents and restricted cash at beginning of period | 104.5 | 87.5 |
| Cash, cash equivalents and restricted cash at end of period | $ 102.5 | $ 104.5 |

*Operating Activities*

Net cash used in operating activities was $97.3 million and $68.3 million for the year ended December 31, 2020 and 2019, respectively. The increase in cash used in operating activities for the year ended December 31, 2020, compared to the year ended December 31, 2019, was primarily driven by lower net sales, primarily due to the COVID-19 impacts described above, partially offset by the upfront cash proceeds of $72.5 million obtained in connection with the Helen of Troy License Agreement, as well as cost reductions achieved through the Company's initiatives designed to mitigate the adverse impact of the COVID-19 pandemic on the Company's operations, including the Revlon 2020 Restructuring Program.

*Investing Activities*

Net cash used in investing activities was $10.3 million for the year ended December 31, 2020, compared to $2.1 million of net cash provided by investing activities for the year ended December 31, 2019. The increase in cash used in investing activities in the year ended December 31, 2020 was primarily related to the effect of proceeds from the sale of certain assets of $31.1 million in the prior year, with no corresponding amount in the current year.

*Financing Activities*

Net cash provided by financing activities was $102.5 million and $84.3 million for the year ended December 31, 2020 and 2019, respectively.

Net cash provided by financing activities for the year ended December 31, 2020 primarily included:

- $880.0 of borrowings under the 2020 BrandCo Term Loan Facility; and
- $4.3 million of increases in short-term borrowings and overdraft;

with the foregoing partially offset by:

- $200.0 million used to fully repay the 2019 Term Loan Facility;
- $281.4 million used to repurchase approximately $324.5 million in aggregate principal face amount of Products Corporation's 5.75% Senior Notes;
- $133.5 million used to partially repay the Amended 2016 Revolving Credit Agreement;
- $122.0 million used to pay financing costs incurred in connection with the 2020 BrandCo Refinancing Transactions and the 2020 Exchange Offer;
- $31.4 million used to partially repay the 2018 Foreign Asset-Based Term Loan; and
- $11.5 million used to partially repay the 2016 Term Loan Facility.

Net cash provided by financing activities for the year ended December 31, 2019 primarily included:

- $200.0 million of borrowings under the 2019 Term Loan Facility;

with the foregoing partially offset by:

- $62.6 million of repayments under the Amended 2016 Revolving Credit Facility;

- $18.0 million of repayments under the 2016 Term Loan Facility;
- $17.3 million of decreases in short-term borrowings and overdraft; and
- $15.3 million of payments of financing costs incurred in connection with consummating the 2019 Term Loan Facility in August 2019 and the 2018 Foreign Asset-Based Term Facility, which were $14.0 million and $1.3 million, respectively.

***Long-Term Debt Instruments***

For detailed information on the terms and conditions of Products Corporation's various outstanding debt instruments, including, without limitation, the 2020 BrandCo Facilities, 2016 Term Loan Facility, Amended 2016 Revolving Credit Facility, 2019 Term Loan Facility (which was fully repaid as part of consummating the 2020 BrandCo Refinancing Transactions), 2018 Foreign Asset-Based Term Facility, 2020 Restated Line of Credit Facility (which was fully repaid and refinanced by the 2021 Foreign Asset-Based Term Facility) and 6.25% Senior Notes, see the aforementioned discussion in this Form 10-K under "Financial Condition, Liquidity and Capital Resources - Consummation of 2020 BrandCo Refinancing Transactions" and Note 8, "Debt," and Note 21, "Subsequent Events," to the Consolidated Financial Statements in this Form 10-K, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations - Financial Condition, Liquidity and Capital Resources," in this Form 10-K. For information regarding certain risks related to the Company's indebtedness, see Item
1A. "Risk Factors" in this Form 10-K, as updated by Part II, Item 1A. "Risk Factors" in the Company's Form 10-Qs filed with the SEC during 2020.

***Covenants***

Products Corporation was in compliance with all applicable covenants under the 2020 BrandCo Credit Agreement, 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement, the 2020 Restated Line of Credit Facility, as well as with all applicable covenants under its 6.25% Senior Notes Indenture, in each case as of December 31, 2020. At December 31, 2020, the aggregate principal amounts outstanding and availability under Products Corporation's various revolving credit facilities were as follows:

| | Commitment | Borrowing Base | Aggregate principal amount outstanding at December 31, 2020 | Availability at December 31, 2020 (a) |
|---|---|---|---|---|
| Amended 2016 Revolving Credit Facility | $ 400.0 | $ 356.9 | $ 188.9 | $ 168.0 |
| 2020 Restated Line of Credit Facility | $ 30.0 | N/A | $ — | $ — |

[a] Availability as of December 31, 2020 is based upon the borrowing base then in effect under the Amended 2016 Revolving Credit Facility of $356.9 million, less $188.9 million then drawn consisting of $138.9 million Tranche A revolving loans and $50 million of 2020 ABL FILO Term Loans. As Products Corporation's consolidated fixed charge coverage ratio was greater than 1.0 to 1.0 as of December 31, 2020, all of the $168.0 million of availability under the Amended 2016 Revolving Credit Facility was available as of such date. The 2018 Tranche B under the Amended 2016 Revolving Credit Facility was fully repaid in May 2020. The revolving commitments under the 2020 Restated Line of Credit Facility were terminated on December 31, 2020.

***Sources and Uses***

The Company's principal sources of funds are expected to be operating revenues, cash on hand and funds that may be available from time to time for borrowing under the Amended 2016 Revolving Credit Facility and other permissible borrowings. The 2016 Credit Agreements, the 2020 BrandCo Credit Agreement, the Senior Notes Indentures and the 2018 Foreign Asset-Based Term Agreement contain certain provisions that by their terms limit Products Corporation's and its subsidiaries' ability to, among other things, incur additional debt, subject to certain exceptions.

The Company's principal uses of funds are expected to be the payment of operating expenses, including payments in connection with the purchase of permanent wall displays; capital expenditure requirements; debt service payments and costs; cash tax payments; pension and other post-retirement benefit plan contributions; payments in connection with the Company's restructuring programs, such as the 2018 Optimization Program and the Revlon 2020 Restructuring Program; severance not otherwise included in the Company's restructuring programs; business and/or brand acquisitions (including, without limitation, through licensing transactions), if any; additional debt and/or equity repurchases, if any; costs related to litigation; and payments in connection with discontinuing non-core business lines and/or exiting and/or entering certain territories and/or channels of trade. For information regarding certain risks related to the Company's indebtedness and cash flows, see Item 1A. Risk Factors - "A substantial portion of Products Corporation's indebtedness is subject to floating interest rates and the potential discontinuation or replacement of LIBOR could result in an increase to our interest expense."

The Company's cash contributions to its pension and post-retirement benefit plans in the year ended December 31, 2020 were $9.8 million. The Company expects that cash contributions to its pension and post-retirement benefit plans will be approximately $29 million in the aggregate for 2021. The Company's cash taxes paid in the year ended December 31, 2020 were $18.6 million. The Company expects to pay net cash taxes totaling approximately $0 million to $10 million in the aggregate during 2021. For a further discussion, see Note 11, "Pension and Post-Retirement Benefits," and Note 13, "Income Taxes," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K.

The Company's purchases of permanent wall displays and capital expenditures in the year ended December 31, 2020 were $30.8 million and $10.3 million, respectively. The Company expects that purchases of permanent wall displays will total approximately $45 million to $50 million in the aggregate during 2021 and expects that capital expenditures will total approximately $25 million to $30 million in the aggregate during 2021.

The Company has undertaken, and continues to assess, refine and implement, a number of programs to efficiently manage its working capital, including, among other things, initiatives intended to optimize inventory levels over time; centralized procurement to secure discounts and efficiencies; prudent management of trade receivables and accounts payable; and controls

on general and administrative spending. In the ordinary course of business, the Company's source or use of cash from operating activities may vary on a quarterly basis as a result of a number of factors, including the timing of working capital flows. For certain of the Company's other recent cost reduction initiatives, see "COVID-19 Impact on the Company's Business" under the Overview section of this "Management Discussion and Analysis of Financial Condition and Results of Operations".

Continuing to execute the Company's business initiatives could include taking advantage of additional opportunities to reposition, repackage or reformulate one or more brands or product lines, launching additional new products, acquiring businesses or brands (including, without limitation, through licensing transactions), divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining the Company's approach to retail merchandising and/or taking further actions to optimize its manufacturing, sourcing and organizational size and structure. Any of these actions, the intended purpose of which would be to create value through improving the Company's financial performance, could result in the Company making investments and/or recognizing charges related to executing against such opportunities. Any such activities may be funded with operating revenues, cash on hand, funds that may be available from time to time under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility, other permissible borrowings and/or other permitted additional sources of capital, which actions could increase the Company's total debt.

The Company may also, from time-to-time, seek to retire or purchase its outstanding debt obligations and/or equity in open market purchases, block trades, privately negotiated purchase transactions or otherwise and may seek to refinance some or all of its indebtedness based upon market conditions. Any such retirement or purchase of debt and/or equity may be funded with operating cash flows of the business or other sources and will depend upon prevailing market conditions, liquidity requirements, contractual restrictions and other factors, and the amounts involved may be material. (See “Financial Condition, Liquidity and Capital Resources - Consummation of 2020 BrandCo Refinancing Transactions” regarding the Company’s repurchase of certain 5.75% Senior Notes during the second and third quarters of 2020).

The Company expects that operating revenues, cash on hand and funds that may be available from time-to-time for borrowing under the Amended 2016 Revolving Credit Facility and other permissible borrowings will be sufficient to enable the Company to pay its operating expenses for 2020, including payments in connection with the purchase of permanent wall displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company’s restructuring programs, such as, currently, primarily the Revlon 2020 Restructuring Program, severance not otherwise included in the Company’s restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade. The Company also expects to generate additional liquidity from cost reductions resulting from the implementation of, currently, primarily the Revlon 2020 Restructuring Program, and cost reductions generated from other cost control initiatives, as well as funds provided by selling certain assets in connection with the Company's ongoing Strategic Review.

There can be no assurance that available funds will be sufficient to meet the Company’s cash requirements on a consolidated basis, as, among other things, the Company’s liquidity can be impacted by a number of factors, including its level of sales, costs and expenditures, as well as accounts receivable and inventory, which serve as the principal variables impacting the amount of liquidity available under the Amended 2016 Revolving Credit Facility and the 2018 Foreign Asset-Based Term Facility. For example, subject to certain exceptions, loans under the 2018 Foreign Asset-Based Term Facility must be prepaid to the extent that outstanding loans exceed the borrowing base, consisting of accounts receivable and inventory. For information regarding certain risks related to the Company’s indebtedness and cash flows, see Item 1A. “Risk Factors” in this 2020 Form 10-K.

If the Company’s anticipated level of revenues is not achieved because of, among other things, decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments, whether attributable to the COVID-19 pandemic or otherwise; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company’s products as a result of increased competitive activities by the Company’s competitors and/or decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise; changes in consumer purchasing habits, including with respect to retailer preferences and/or sales channels, such as due to any further consumption declines that the Company has experienced; inventory management by the Company's customers; space reconfigurations or reductions in display space by the Company's customers; retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers; or less than anticipated results from the Company’s existing or new products or from its advertising, promotional, pricing and/or marketing plans; or if the Company’s expenses, including, without limitation, for the purchase of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company’s restructuring programs (such as the 2018 Optimization Program and the Revlon 2020 Restructuring Program), severance not otherwise included in the Company’s restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, additional debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses, the Company’s current sources of funds may be insufficient to meet the Company’s cash requirements.

Any such developments, if significant, could reduce the Company’s revenues and operating income and could adversely affect Products Corporation’s ability to comply with certain financial and/or other covenants under the 2020 BrandCo Credit Agreement, 2016 Credit Agreements, the 6.25% Senior Notes indenture and/or the 2018 Foreign Asset-Based Term Agreement and in such event the Company could be required to take measures, including, among other things, reducing discretionary spending. For further discussion of certain risks associated with the Company's business and indebtedness, see Item 1A. "Risk Factors" in this 2020 Form 10-K.

**Off-Balance Sheet Transactions**

The Company does not maintain any off-balance sheet transactions, arrangements, obligations or other relationships with unconsolidated entities or others that are reasonably likely to have a material current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

**Discussion of Critical Accounting Policies**

In the ordinary course of its business, the Company has made a number of estimates and assumptions relating to the reporting of results of operations and financial condition in the preparation of its financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"). Actual results could differ significantly from those estimates and assumptions. It is also possible that other professionals, applying reasonable judgment to the same set of facts and circumstances, could develop a different conclusion. The Company believes that the following discussion addresses the Company's most critical accounting policies, which are those that are most important to the portrayal of the Company's financial condition and results of operations and require management's most difficult, subjective and complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

*Sales Returns:*

The Company allows customers to return their unsold products when they meet certain company-established criteria as outlined in the Company’s trade terms. The Company regularly reviews and revises, when deemed necessary, its estimates of sales returns based primarily upon historical rate of actual product returns, planned product discontinuances, new product launches and estimates of customer inventory and promotional sales, which would permit customers to return products based upon the Company’s trade terms. The Company records estimated sales returns as a reduction to sales and cost of sales, and an increase in accrued liabilities and inventories.

Returned products, which are recorded as inventories, are valued based upon the amount that the Company expects to realize upon their subsequent disposition. The physical condition and marketability of the returned products are the major factors the Company considers in estimating realizable value. Cost of sales includes the cost of refurbishment of returned products. Actual returns, as well as realized values on returned products, may differ significantly, either favorably or unfavorably, from the Company’s estimates if factors such as product discontinuances, customer inventory levels or

competitive conditions differ from the Company’s estimates and expectations and, in the case of actual product returns, if economic conditions differ significantly from the Company’s estimates and expectations. For returned products that the Company expects to resell at a profit, the Company records, in addition to sales returns as a reduction to sales and cost of sales and an increase to accrued liabilities for the amount expected to be refunded to the customer, an increase to the asset account used to reflect the Company's right to recover products. The amount of the asset account is valued based upon the former carrying amount of the product (i.e., inventory), less any expected costs to recover the products. As the estimated product returns that are expected to be resold at a profit do not comprise a significant amount of the Company's net sales or assets, the Company does not separately report these amounts.

(all tabular amounts in millions, except share and per share amounts)

*Pension Benefits:*

The Company sponsors both funded and unfunded pension and other retirement plans in various forms covering employees who meet the applicable eligibility requirements. The Company uses several statistical and other factors in an attempt to estimate future events in calculating the liability and net periodic benefit income/cost related to these plans. These factors include assumptions about the discount rate, expected long-term return on plan assets and rate of future compensation increases as determined annually by the Company, within certain guidelines, which assumptions would be subject to revisions if significant events occur during the year. The Company uses December 31st as its measurement date for defined benefit pension plan obligations and plan assets.

The Company applies the "full yield curve" approach, an alternative approach from the single weighted-average discount rate approach, to calculate the service and interest components of net periodic benefit cost for pension and other post-retirement benefits. Under this method, the discount rate assumption was built through the application of specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows for each of the Company's pension and other retirement plans.

The Company utilized a 2.18% weighted-average discount rate in 2020 for the Company's U.S. defined benefit pension plans, compared to a 3.01% weighted-average discount rate in 2019. The Company utilized a 1.33% weighted-average discount rate for the Company's international defined benefit pension plans in 2020, compared to a 1.81% weighted-average discount rate selected in 2019. The discount rates are used to measure the benefit obligations at the measurement date and the net periodic benefit income/cost for the subsequent calendar year and are reset annually using data available at the measurement date. The changes in the discount rates used for 2020 were primarily due to observed decreases in long-term interest yields on high-quality corporate bonds during 2020. At December 31, 2020, the decrease in the discount rates from December 31, 2019 had the effect of increasing the Company's projected pension benefit obligation by approximately $50.5 million.

In selecting its expected long-term rate of return on its plan assets, the Company considers a number of factors, including, without limitation, recent and historical performance of plan assets, the plan portfolios' asset allocations over a variety of time periods compared with third-party studies, the performance of the capital markets in recent years and other factors, as well as advice from various third parties, such as the plans' advisors, investment managers and actuaries. While the Company considered both the recent performance and the historical performance of plan assets, the Company's assumptions are based primarily on its estimates of long-term, prospective rates of return. The difference between actual and expected return on plan assets is reported as a component of accumulated other comprehensive (loss) income and the resulting gains or losses are amortized over future periods as a component of the net periodic benefit cost. For the Company's U.S. defined benefit pension plans, the expected long-term rate of return on the pension plan assets used was 5.50% and 6.00% for 2020 and 2019. The weighted-average expected long-term rate of return used for the Company's international plans was 3.39% for 2020 and 4.86% for 2019. For 2020, the actual return on pension plan assets was $35.9 million, as compared with expected return on plan assets of $22.8 million. The resulting net deferred gain of $13.1 million, when combined with gains and losses from previous years, will be amortized over periods ranging from approximately 10 to 30 years. The actual return on plan assets for 2020 was above expectations, primarily due to higher returns from investments in developed equity markets, bank loans and bond yields.

The table below reflects the Company's estimates of the possible effects that changes in the discount rates and expected long-term rates of return would have had on its 2020 net periodic benefit costs and its projected benefit obligation at December 31, 2020 for the Company's principal defined benefit pension plans, with all other assumptions remaining constant:

| | Effect of 25 basis points increase | | Effect of 25 basis points decrease | |
|---|---|---|---|---|
| | Net periodic benefit costs | Projected pension benefit obligation | Net periodic benefit costs | Projected pension benefit obligation |
| Discount rate | $ 1.2 | $ (16.7) | $ 0.7 | $ 17.5 |
| Expected long-term rate of return | $ (1.5) | $ — | $ 0.6 | $ — |

The rate of future compensation increases is another assumption used by the Company's third-party actuarial consultants for pension accounting. The rate of future compensation increases used for the Company's projected pension benefit obligation in 2019 was 3.50% for the UAW Plan. During 2019, the UAW Plan was frozen and the rate of future compensation increase is no longer applicable for the Company's U.S. defined benefit pension plans for 2020. Such increase was also not applied to the

(all tabular amounts in millions, except share and per share amounts)

Revlon Employees' Retirement Plan and the Revlon Pension Equalization Plan, as the rate of future compensation increases is no longer relevant to such plans due to plan amendments that effectively froze these plans as of December 31, 2009.

In addition, the Company's actuarial consultants also use other factors such as withdrawal and mortality rates. The actuarial assumptions used by the Company may differ materially from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants, among other things. Differences from these assumptions could significantly impact the actual amount of net periodic benefit cost and liability recorded by the Company.

To determine the fiscal 2021 net periodic benefit income/cost, the Company is using the "full yield curve" approach described above to separately calculate discount rates for each of the service and interest components. The following table represents the weighted average discount rates used in calculating each component of service and interest costs for the Company's U.S. and international defined benefit pension plans:

| | U.S. Plans | International Plans |
|---|---|---|
| Interest cost on projected benefit obligation | 1.49 % | 1.27 % |
| Service cost[(a)] | N/A | 0.24 % |
| Interest cost on service cost[(a)] | N/A | 0.09 % |

[(a)] Service cost and interest on service cost are no longer applicable for the U.S. plans as the UAW Plan was frozen during 2019.

For 2021, the Company is using long-term rates of return on pension plan assets of 4.50% and 3.46% for its U.S. and international defined benefit pension plans, respectively. The Company expects that the impact of the changes in discount rates and the return on plan assets in 2021 will result in net periodic benefit cost of $4.8 million for 2021, compared to $5.5 million of net periodic benefit cost in 2020, excluding the curtailment gain.

*Goodwill and Acquired Intangible Assets:*

In determining the fair values of net assets acquired, including trade names, customer relationships and other intangible assets, and resulting goodwill related to the Company's business acquisitions, the Company considers, among other factors, the analyses of historical financial performance and an estimate of the future performance of the acquired business. The fair values of the acquired intangible assets are primarily calculated using a discounted cash flow approach.

Determining fair value requires significant estimates and assumptions based on evaluating a number of factors, such as marketplace participants, product life cycles, consumer awareness, brand history and future expansion expectations. There are significant judgments inherent in a discounted cash flow approach, including in selecting appropriate discount rates, hypothetical royalty rates, contributory asset capital charges, estimating the amount and timing of future cash flows and identifying appropriate terminal growth rate assumptions. The discount rates used in discounted cash flow analyses are intended to reflect the risk inherent in the projected future cash flows generated by the respective acquired intangible assets.

Determining an acquired intangible asset's useful life requires management judgment and is based on evaluating a number of factors, including the expected use of the asset, consumer awareness, trade name history and future expansion expectations, as well as any contractual provisions that could limit or extend an asset's useful life. The Company believes that an acquired trade name has an indefinite life if it has a history of strong revenue and cash flow performance, and the Company has the intent and ability to support the trade name with marketplace spending for the foreseeable future. If this indefinite-lived criteria is not met, acquired trade names are amortized over their expected useful lives, which generally range from 5 to 20 years.

Effective January 1, 2018, the Company implemented its brand-centric organizational structure which is built around four global brand teams: Revlon; Elizabeth Arden; Portfolio; and Fragrances, which also represent the Company's reporting segments. Concurrent with the change in reporting segments, goodwill was reassigned to the affected reporting units that have been identified within each reporting segment using a relative fair value allocation approach as outlined in Accounting Standards Codification ("ASC") 350, *Intangibles - Goodwill and Other*. Goodwill totaled $563.7 million and $673.7 million as of December 31, 2020 and 2019, respectively. As of December 31, 2020, goodwill of $265.4 million, $87.9 million, $89.5 million and $120.9 million related to the Revlon, Portfolio, Elizabeth Arden and Fragrances segments, respectively. Indefinite-lived intangibles totaled $115.9 million and $143.8 million as of December 31, 2020 and 2019, respectively.

In accordance with Financial Accounting Standards Board ("FASB"), Accounting Standard Codification ("ASC") 350, *Intangibles - Goodwill and Other* ("ASC 350"), goodwill and indefinite-lived intangible assets are not amortized, but rather are reviewed annually for impairment using October 1st carrying values, or when there is evidence that events or changes in circumstances indicate that the current carrying amounts may not be recovered. Under this standard, the Company annually has the option to first assess qualitatively, based on relevant events and circumstances, whether it is more likely than not that there

has been an impairment, or perform a quantitative analysis to assess the existence of any such impairment. If the qualitative analysis shows that it is more likely than not that the fair value of a reporting unit is higher than its carrying amount, the quantitative analysis is not required. If the qualitative analysis fails, the quantitative analysis is required. Per the simplified approach allowed under ASU No. 2017-04, "Simplifying the Test for Goodwill Impairment," adopted by the Company as of October 1, 2018, if the carrying value of the reporting unit exceeds the fair value of the reporting unit, the goodwill impairment charge is equal to the amount of such difference. The inputs and assumptions utilized in the analyses are classified as Level 3 inputs in the fair value hierarchy. Goodwill is tested for impairment at the reporting unit level.

The Company establishes its reporting units based on its current reporting structure, product characteristics and management. Within each of the Elizabeth Arden and Portfolio segments, the Company has identified two reporting units. The two reporting units within the Elizabeth Arden segment are: (i) Elizabeth Arden Skin and Color, which includes Elizabeth Arden skin care and color cosmetics brands; and (ii) Elizabeth Arden Fragrances, which includes Elizabeth Arden branded fragrances. The two reporting units within the Portfolio segment are: (i) Mass Portfolio, which includes the Company's brands sold primarily through the mass retail channel; and (ii) Professional Portfolio, which includes the Company's brands sold primarily through professional salons. The Company's Revlon and Fragrances reporting units are consistent with the reportable segments identified in Note 16, "Segment Data and Related Information," in the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K. For purposes of testing goodwill for impairment, goodwill has been allocated to each reporting unit to the extent that goodwill relates to each reporting unit.

Indefinite-lived intangible assets, consisting of certain trade names, are not amortized, but rather are tested for impairment annually during the fourth quarter using October 1st carrying values similar to goodwill, in accordance with ASC 350, and the Company recognizes an impairment if the carrying amount of its intangible assets exceeds its fair value. Intangible assets with finite useful lives are amortized over their respective estimated useful lives to their estimated residual values. The Company writes off the gross carrying amount and accumulated amortization for intangible assets in the year in which the asset becomes fully amortized.

Finite-lived intangible assets are considered for impairment under ASC 360-10, Impairment and Disposal of Long-Lived Assets ("ASC 360"), upon the occurrence of certain "triggering events" and the Company recognizes an impairment if the carrying amount of the long-lived asset group exceeds the Company's estimate of the asset group's undiscounted future cash flows.

Impairment testing

During 2020, the Company performed interim goodwill impairment analyses during the first, second and third quarters of the year, which resulted in the recognition of $99.8 million and $11.2 million of non-cash goodwill impairment charges in the first and second quarter of 2020, respectively, as further specified in Note 6, "Goodwill and Intangible Assets, Net" to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K.

For 2020, in assessing whether goodwill was impaired in connection with its annual impairment testing performed during the fourth quarter of 2020 using October 1, 2020 carrying values, the Company, in accordance with Financial Accounting Standards Board ("FASB"), Accounting Standard Codification ("ASC") 350, Intangibles - Goodwill and Other ("ASC 350"), performed a qualitative assessment for its Revlon reporting unit and quantitative assessments for its (i) Elizabeth Arden Skin and Color, (ii) Elizabeth Arden Fragrances, (iii) Fragrances, and (iv) Professional Portfolio reporting units. As further specified in Note 6, "Goodwill and Intangible Assets, Net" to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K, the Mass Portfolio reporting unit no longer has any goodwill associated with it starting from the second quarter of 2020.

In performing its 2020 annual qualitative goodwill assessment, the Company considered, among other factors, the financial performance of the Revlon reporting unit, the Company's revised expected future cash flows as affected by the ongoing and prolonged COVID-19 pandemic, as well as the results of the second quarter of 2020 quantitative interim analysis. Based upon such assessment, the Company determined that it was more likely than not that the fair value of its Revlon reporting unit exceeded its respective carrying amount for 2020.

In performing its 2020 quantitative assessments, the Company used the simplified approach allowed under ASU No. 2017-04 to test its (i) Elizabeth Arden Skin and Color, (ii) Elizabeth Arden Fragrances, (iii) Fragrances, and (iv) Professional Portfolio

reporting units for impairment. Based upon such assessment, the Company determined that it was more likely than not that the fair value of each of such aforementioned reporting units exceeded their respective carrying amounts for 2020.

The fair values of the aforementioned Company's reporting units exceeded their carrying amounts ranging from approximately 7% to approximately 34% as of the October 1, 2020 valuation date.

The above-mentioned fair values were primarily determined using a weighted average market and income approach. The income approach requires several assumptions including those regarding future sales growth, EBITDA (earnings before interest, taxes, depreciation and amortization) margins, and capital expenditures, which are the basis for the information used in the discounted cash flow model. The weighted-average cost of capital used in the income approach ranged from 9.5% to 12.5%, with a perpetual growth rate of 2%. For the market approach, the Company considered the market comparable method based upon total enterprise value multiples of other comparable publicly-traded companies.

The key assumptions used to determine the estimated fair values of the Company's reporting units for its interim and annual assessments included the expected success of the Company's future new product launches, the Company's achievement of its expansion plans, the Company's realization of its cost reduction initiatives and other efficiency efforts, as well as certain assumptions regarding the COVID-19 pandemic's expected impact on the Company. If such plans and assumptions do not materialize as anticipated, or if there are further challenges in the business environment in which the Company's reporting units operate, a resulting change in actual results from the Company's key assumptions could have a negative impact on the estimated fair values of the reporting units, which could require the Company to recognize additional impairment charges in future reporting periods.

During 2020, in connection with the interim goodwill impairment assessments during the first, second and third quarters of 2020, the Company also reviewed indefinite-lived and finite-lived intangible assets for impairment. These interim reviews resulted in no interim impairment charges in connection with the carrying value of any of the Company's finite-lived intangible assets and in $24.5 million and $8.6 million of interim non-cash impairment charges in the first and second quarter of 2020, respectively, in connection with the Company's indefinite-lived intangible assets, as further specified in Note 6, "Goodwill and Intangible Assets, Net" to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K.

For 2020 and 2019, no impairment was recognized related to the carrying value of any of the Company's finite or indefinite-lived intangible assets as a result of the annual impairment testing.

The fair values determined as part of the Company's indefinite-lived intangibles quantitative analysis exceeded their carrying amounts ranging from approximately 1% to approximately 29% as of the October 1, 2020 valuation date.

See Note 6, "Goodwill and Intangible Assets, Net," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K for further information on the Company's goodwill and intangible assets.

*Income Taxes:*

The Company records income taxes based on amounts payable with respect to the current year and includes the effect of deferred taxes. The effective tax rate reflects statutory tax rates, tax-planning opportunities that may be available in various jurisdictions in which the Company operates and the Company's estimate of the ultimate outcome of various tax audits and issues. Determining the Company's effective tax rate and evaluating tax positions requires significant judgment.

The Company recognizes deferred tax assets and liabilities for the future impact of differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases, as well as for operating loss and tax credit carryforwards. The Company measures deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which management expects that the Company will recover or settle those differences. The realization of the deferred tax assets is primarily dependent on forecasted future taxable income. The Company establishes a valuation allowance for deferred tax assets when management determines that it is more likely than not that the Company will not realize a tax benefit for the deferred tax assets. Any reduction in estimated forecasted future taxable income may require the Company to record valuation allowances against deferred tax assets on which a valuation allowance was not previously established. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Provision for Income Taxes," for further information.

The Company recognizes a tax position in its financial statements when management determines that it was more likely than not that the position will be sustained upon examination, based on the merits of such position. The Company recognizes

liabilities for unrecognized tax positions in the U.S. and other tax jurisdictions based on an estimate of whether and the extent to which additional taxes will be due. If payment of these amounts is ultimately not required, the reversal of the liabilities would result in additional tax benefits recognized in the period in which the Company determines that the liabilities are no longer required. If the estimate of tax liabilities is ultimately less than the final assessment, this will result in a further charge to expense. The Company recognizes interest and penalties related to income tax matters in income tax expense.

As of December 31, 2020, the Company is indefinitely reinvested in the accumulated undistributed earnings of all of its foreign subsidiaries. If earnings are repatriated, any excess of financial reporting over tax basis could be subject to federal, state and foreign withholding taxes. At this time, the determination of deferred tax liabilities on the amount of financial reporting over tax basis is not practicable.

See Note 13, "Income Taxes," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K for further information.

***Recently Evaluated and/or Adopted Accounting Pronouncements***

See Note 1., "Description of Business and Summary of Significant Accounting Policies," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K for further information.

***Recently Issued Accounting Pronouncements***

See Note 1., "Description of Business and Summary of Significant Accounting Policies," to the Company's Audited Consolidated Financial Statements in this 2020 Form 10-K for further information.

**Inflation**

The Company's costs are affected by inflation and the effects of inflation that the Company may experience in future periods. Management believes, however, that such effects have not been material to the Company during the past two years in the U.S. and in foreign non-hyperinflationary countries. In hyperinflationary foreign countries, the Company attempts to mitigate the effects of inflation by increasing prices in line with inflation, where possible, and efficiently managing its costs and working capital levels.

**Item 7A. Quantitative and Qualitative Disclosures about Market Risk**

Not applicable as a smaller reporting company.

**Item 8. Financial Statements and Supplementary Data**

Reference is made to the Index of the Company's Consolidated Financial Statements and the Notes thereto. Supplementary Data not applicable as a smaller reporting company.

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures**

None.

**Item 9A. Controls and Procedures**

**(a) Evaluation of Disclosure Controls and Procedures**. The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In March 2020, the Company announced the Revlon 2020 Restructuring Program and in April 2020 the Company took several financial measures, such as implementing a reduced work week and furloughing a significant number of employees, designed to mitigate the adverse financial impacts of COVID-19 (the "COVID-19 Organizational Actions"). In response, the Company implemented mitigating actions to address the potential for any impact from these measures on the Company's disclosure controls and procedures and its internal control over financial reporting, such as transferring responsibilities for the eliminated positions and furloughed employees and enhancing employee training and internal controls monitoring. The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the fiscal period covered by this 2020 Form 10-K. Based upon such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of December 31, 2020.

**(b) Management's Annual Report on Internal Control over Financial Reporting.** The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control system is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of published financial statements in accordance with U.S. GAAP and includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of its assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of its financial statements in accordance with U.S. GAAP, and that its receipts and expenditures are being made only in accordance with authorizations of its management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements.

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Management's projections of any evaluation of the effectiveness of internal control over financial reporting as to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

The Company's management, under the oversight of the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2020 and in making this assessment used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission Internal Control-Integrated Framework (2013). Based on this assessment, the Company's management, under the oversight of the Chief Executive Officer and Chief Financial Officer, determined that the Company's internal control over financial reporting was effective as of December 31, 2020.

KPMG LLP, the Company's independent registered public accounting firm that audited the Company's 2020 Consolidated Financial Statements for the period ended December 31, 2020 included in this 2020 Form 10-K, has issued a report on the Company's internal control over financial reporting. This report appears on page F-3 of the 2020 Consolidated Financial Statements.

**(c) Changes in Internal Control Over Financial Reporting ("ICFR").** There have not been any changes in the Company's internal control over financial reporting during the quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. As described in Item 9A(a) above, the Revlon 2020 Restructuring Program and the COVID-19 Organizational Actions did not materially affect the Company's ICFR for the year ended December 31, 2020.

**Item 9B. Other Information**

MacAndrews & Forbes tendered approximately $15.5 million of 5.75% Senior Notes into the Exchange Offer and, in exchange, received the Mixed Consideration as described herein, in accordance with the terms and conditions of the Exchange Offer. Additionally, MacAndrews & Forbes acquired the rights to the Mixed Consideration to be received by certain holders in the Exchange Offer. Subsequently, MacAndrews & Forbes sold its interest in the ABL FILO Term Loans and the New BrandCo Second-Lien Term Loans in the open market, according to disclosures by MacAndrews & Forbes in Amendment No. 15 to their Schedule 13D.

On March 10, 2021, the Company and Mr. Beattie entered into an Amendment to the 2020 Consulting Agreement, effective April 1, 2021, pursuant to which he will continue to provide advisory services to the Company until April 1, 2022 (the “Term”). As compensation for Mr. Beattie’s advisory services during the Term, the Company shall grant him restricted stock units (the “RSUs”) equivalent in value to the fee set forth in the 2020 Consulting Agreement, which shall vest in accordance with the terms of the Amendment to the 2020 Consulting Agreement. The foregoing description of the Amendment to the 2020 Consulting Agreement is qualified in its entirety by reference to the full text of such agreement, a copy of which is incorporated by reference into this Form 10-K as Exhibit 10.20.

On March 10, 2021, the Board of Directors approved the following compensation for Ms. Dolan’s compensation effective February 27, 2021: a base salary of $700,000, an annual cash bonus target of 85% of her annualized base salary, and a 2021 LTIP target of $1,500,000.

**Forward-Looking Statements**

This Annual Report on Form 10-K for the period ended December 31, 2020, as well as the Company's other public documents and statements, may contain forward-looking statements that involve risks and uncertainties, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on the beliefs, expectations, estimates, projections, assumptions, forecasts, plans, anticipations, targets, outlooks, initiatives, visions, objectives, strategies, opportunities, drivers, focus and intents of the Company's management. While the Company believes that its estimates and assumptions are reasonable, the Company cautions that it is very difficult to predict the impact of known and unknown factors, and, of course, it is impossible for the Company to anticipate all factors that could affect its results. The Company's actual results may differ materially from those discussed in such forward-looking statements. Such statements include, without limitation, the Company's expectations, plans and estimates (whether qualitative or quantitative) as to:

(i) the Company's future financial performance and/or sales growth;

(ii) the effect on sales of decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments, whether due to COVID-19 or otherwise; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors and/or decreased performance by third-party suppliers, whether due to shortages of raw materials or otherwise, changes in consumer purchasing habits, including with respect to retailer preferences and/or among sales channels, such as due to the continuing consumption declines in core beauty categories in the mass retail channel in North America; inventory management by the Company's customers; inventory de-stocking by certain retail customers; space reconfigurations or reductions in display space by the Company's customers; retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels; changes in pricing, marketing, advertising and/or promotional strategies by the Company's customers; less than anticipated results from the Company's existing or new products or from its advertising, promotional, pricing and/or marketing plans; or if the Company's expenses, including, without limitation, for the purchase of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs (such as the 2018 Optimization Program and the Revlon 2020 Restructuring Program), severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, additional debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise, exceed the anticipated level of expenses;

(iii) the Company's belief that continuing to execute its business initiatives could include taking advantage of additional opportunities to reposition, repackage or reformulate one or more brands or product lines, launching additional new products, acquiring businesses or brands (including through licensing transactions, if any), divesting or discontinuing non-core business lines (which may include exiting certain territories), further refining its approach to retail merchandising and/or taking further actions to optimize its manufacturing, sourcing and organizational size and structure, any of which, the intended purpose would be to create value through improving the Company's financial performance, could result in the Company making investments and/or recognizing charges related to executing against such opportunities, which activities may be funded with operating revenues, cash on hand, funds available under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility, other permissible borrowings and/or other permitted additional sources of capital, which actions could increase the Company's total debt;

(iv) the Company's plans to remain focused on its 3 key strategic pillars to drive its future success and growth, including (1) strengthening its iconic brands through innovation and relevant product portfolios; (2) building its capabilities to better communicate and connect with its consumers through media channels where they spend the most time; and (3) ensuring availability of its products where consumers shop, both in-store and increasingly online;

(v) the effect of restructuring activities, restructuring costs and charges, the timing of restructuring payments and the benefits from such activities, including, without limitation: (1) the Company's plans to implement the Revlon 2020 Restructuring Program; including its expectation and belief that the Revlon 2020 Restructuring Program will reduce the Company's selling, general and administrative expenses, as well as cost of goods sold, improve the Company's gross profit and Adjusted EBITDA and maximize productivity, cash flow and liquidity, as well as rightsizing the organization and operating with more efficient workflows and processes and that the leaner organizational structure will improve communication flow and cross-functional collaboration, leveraging the more efficient business processes; (2) the Company's expectation that the Revlon 2020 Restructuring Program will result in the elimination of approximately 975 positions worldwide including approximately 625 current employees and approximately 350 open positions; (3) the Company substantially completed the employee-related actions in 2020 and expects to complete the other consolidation and outsourcing actions during 2021 and 2022; (4) the Company's expectations regarding the amount and timing of the 2020 Restructuring Charges and payments related to the Revlon 2020 Restructuring Program, including that: (a) it recognized during 2020 $68.8 million of total pre-tax restructuring and related charges and in addition restructuring charges in the range of $75 million to $85 million to be charged and paid during 2021 and 2022; and (b) substantially all of the 2020 Restructuring Charges will be paid in cash, with $51.5 million of the total charges paid in 2020, approximately $40 million to $45 million expected to be paid in 2021, with the balance expected to be paid in 2022; and (5) the Company's expectations that as a result of the Revlon 2020 Restructuring Program, the Company will deliver in the range of $200 million to $230 million of annualized cost reductions from 2020 through the end of 2022, with approximately 50% of these annualized cost reductions to be realized from the headcount reductions occurring in 2020;

(vi) the Company's expectation that operating revenues, cash on hand and funds that may be available from time to time for borrowing under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility, and other permissible borrowings will be sufficient to enable the Company to cover its operating expenses for 2020, including the cash requirements referred to in item (viii) below, and the Company's belief that (a) it has and will have sufficient liquidity to meet its cash needs for at least the next 12 months based upon the cash generated by its operations, cash on hand, availability under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility, and other permissible borrowings, along with the option to further settle intercompany loans and payables with certain foreign subsidiaries, and that such cash resources will be further enhanced as the Company implements its Revlon 2020 Restructuring Program and cost reductions generated from other cost control initiatives, as well as funds provided by selling certain assets in connection with the Company's ongoing Strategic Review, and (b) restrictions and/or taxes on repatriation of foreign earnings will not have a material effect on the Company's liquidity during such period;

(vii) the Company's expected principal sources of funds, including operating revenues, cash on hand and funds available for borrowing under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility and other permissible borrowings, as well as the

availability of funds from the Company taking certain measures, including, among other things, reducing discretionary spending and the Company's expectation to generate additional liquidity from cost reductions resulting from the implementation of the Revlon 2020 Restructuring Program and from other cost reduction initiatives, as well as funds provided by selling certain assets in connection with the Company's ongoing Strategic Review;

(viii) the Company's expected principal uses of funds, including amounts required for payment of operating expenses including in connection with the purchase of permanent wall displays; capital expenditure requirements; debt service payments and costs; cash tax payments; pension and other post-retirement benefit plan contributions; payments in connection with the Company's restructuring programs, such as the 2018 Optimization Program and the Revlon 2020 Restructuring Program; severance not otherwise included in the Company's restructuring programs; business and/or brand acquisitions (including, without limitation, through licensing transactions), if any; debt and/or equity repurchases, if any; costs related to litigation; and payments in connection with discontinuing non-core business lines and/or exiting and/or entering certain territories and/or channels of trade (including, without limitation, that the Company may also, from time-to-time, seek to retire or purchase its outstanding debt obligations and/or equity in open market purchases, block trades, privately negotiated purchase transactions or otherwise and may seek to refinance some or all of its indebtedness based upon market conditions and that any such retirement or purchase of debt and/or equity may be funded with operating cash flows of the business or other sources and will depend upon prevailing market conditions, liquidity requirements, contractual restrictions and other factors, and the amounts involved may be material); and its estimates of the amount and timing of such operating and other expenses;

(ix) matters concerning the impact on the Company from changes in interest rates and foreign exchange rates;

(x) the Company's expectation to efficiently manage its working capital, including, among other things, initiatives intended to optimize inventory levels over time; centralized procurement to secure discounts and efficiencies; prudent management of trade receivables, accounts payable and controls on general and administrative spending; and the Company's belief that in the ordinary course of business, its source or use of cash from operating activities may vary on a quarterly basis as a result of a number of factors, including the timing of working capital flows;

(xi) the Company's expectations regarding its future net periodic benefit cost for its U.S. and international defined benefit plans;

(xii) the Company's expectation that its tax provision and effective tax rate in any individual quarter and year-to-date period will vary and may not be indicative of the Company's tax provision and effective tax rate for the full year and the Company's expectations regarding whether it will be required to establish additional valuation allowances on its deferred tax assets;

(xiii) the Company's belief that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows, but that in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period; and

(xiv) the Company's plans to explore certain strategic transactions pursuant to the Strategic Review.

Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements can be identified by, among other things, the use of forward-looking language such as "estimates," "objectives," "visions," "projects," "forecasts," "focus," "drive towards," "plans," "targets," "strategies," "opportunities," "assumptions," "drivers," "believes," "intends," "outlooks," "initiatives," "expects," "scheduled to," "anticipates," "seeks," "may," "will" or "should" or the negative of those terms, or other variations of those terms or comparable language, or by discussions of strategies, targets, long-range plans, models or intentions. Forward-looking statements speak only as of the date they are made, and except for the Company's ongoing obligations under the U.S. federal securities laws, the Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Investors are advised, however, to consult any additional disclosures the Company made or may make in the Company's 2020 Form 10-K and in its Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, in each case filed with the SEC in 2021 and 2020 (which, among other places, can be found on the SEC's website at http://www.sec.gov, as well as on the Company's corporate website at www.revloninc.com). Except as expressly set forth in this 2020 Form 10-K, the information available from time-to-time on such websites shall not be deemed incorporated by reference into this 2020 Form 10-K. A number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. (See also Item 1A. "Risk Factors" in this 2020 Form 10-K for further discussion of risks associated with the Company's business). In addition to factors that may be described in the Company's filings with the SEC, including this filing, the following factors, among others, could cause the Company's actual results to differ materially from those expressed in any forward-looking statements made by the Company:

(i) unanticipated circumstances or results affecting the Company's financial performance and or sales growth, including: greater than anticipated levels of consumers choosing to purchase their beauty products through e-commerce and other social media channels and/or greater than anticipated declines in the brick-and-mortar retail channel, or either of those conditions occurring at a rate faster than anticipated; the Company's inability to address the pace and impact of the new commercial landscape, such as its inability to enhance its e-commerce and social media capabilities and/or increase its penetration of e-commerce and social media channels; the Company's inability to drive a successful long-term omni-channel strategy and significantly increase its e-commerce penetration; difficulties, delays and/or the Company's inability to (in whole or in part) develop and implement effective content to enhance its online retail position, improve its consumer engagement across social media platforms and/or transform its technology and data to support efficient management of its digital infrastructure; the Company incurring greater than anticipated levels of expenses and/or debt to facilitate the foregoing objectives, which could result in, among other things, less than anticipated revenues and/or profitability; decreased consumer spending in response to weak economic conditions or weakness in the consumption of beauty products in one or more of the Company's segments, whether attributable to COVID-19 or otherwise; adverse changes in tariffs, foreign currency exchange rates, foreign currency controls and/or government-mandated pricing controls; decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors; decreased performance by third-party suppliers, whether due to COVID-19, shortages of raw materials or otherwise; and/or supply disruptions at the Company's manufacturing facilities, whether attributable to COVID-19 or otherwise; changes in consumer preferences, such as reduced consumer demand for the Company's color cosmetics and other current products, including new product launches; changes in consumer purchasing habits, including with respect to retailer preferences and/or among sales channels, such as due to the continuing consumption declines in core beauty categories in the mass retail channel in North America, whether attributable to COVID-19 or otherwise; lower than expected customer acceptance or consumer acceptance of, or less than anticipated results from, the Company's existing or new products, whether attributable to COVID-19 or otherwise; higher than expected retail store closures in the brick-and-mortar channels where the Company sells its products, as consumers continue to shift purchases to online and e-commerce channels, whether attributable to COVID-19 or otherwise; higher than expected purchases of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs (such as the 2018 Optimization Program and the Revlon 2020 Restructuring Program), severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the

Company's customers, product discontinuances or otherwise or lower than expected results from the Company's advertising, promotional, pricing and/or marketing plans, whether attributable to COVID-19 or otherwise; decreased sales of the Company's existing or new products, whether attributable to COVID-19 or otherwise; actions by the Company's customers, such as greater than expected inventory management and/or de-stocking, and greater than anticipated space reconfigurations or reductions in display space and/or product discontinuances or a greater than expected impact from pricing, marketing, advertising and/or promotional strategies by the Company's customers, whether attributable to COVID-19 or otherwise; and changes in the competitive environment and actions by the Company's competitors, including, among other things, business combinations, technological breakthroughs, implementation of new pricing strategies, new product offerings, increased advertising, promotional and marketing spending and advertising, promotional and/or marketing successes by competitors;

(ii) in addition to the items discussed in (i) above, the effects of and changes in economic conditions (such as volatility in the financial markets, whether attributable to COVID-19 or otherwise, inflation, increasing interest rates, monetary conditions and foreign currency fluctuations, tariffs, foreign currency controls and/or government-mandated pricing controls, as well as in trade, monetary, fiscal and tax policies in international markets), political conditions (such as military actions and terrorist activities) and natural disasters, such as the devastating fires in Australia and the earthquakes in Puerto Rico;

(iii) unanticipated costs or difficulties or delays in completing projects associated with continuing to execute the Company's business initiatives or lower than expected revenues or the inability to create value through improving the Company's financial performance as a result of such initiatives, including lower than expected sales, or higher than expected costs, including as may arise from any additional repositioning, repackaging or reformulating of one or more brands or product lines, launching of new product lines, including higher than expected expenses, including for sales returns, for launching its new products, acquiring businesses or brands (including through licensing transactions, if any), divesting or discontinuing non-core business lines (which may include exiting certain territories or converting the Company's go-to-trade structure in certain countries to other business models), further refining its approach to retail merchandising and/or difficulties, delays or increased costs in connection with taking further actions to optimize the Company's manufacturing, sourcing, supply chain or organizational size and structure (including difficulties or delays in and/or the Company's inability to optimally implement the 2018 Optimization Program and/or the Revlon 2020 Restructuring Program and/or less than expected benefits from such programs and/or more than expected costs in implementing such programs, which could cause the Company not to realize the projected cost reductions), as well as the unavailability of cash generated by operations, cash on hand and/or funds under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility and/or other permissible borrowings and/or from other permissible additional sources of capital to fund such potential activities, as well as the unavailability of funds due to potential mandatory repayment obligations under the 2018 Foreign Asset-Based Term Facility;

(iv) difficulties, delays in or less than expected results from the Company's efforts to execute on its 3 key strategic pillars to drive its future success and growth, including, without limitation: (1) less than effective new product development and innovation, less than expected acceptance of its new products and innovations by the Company's consumers and/or customers in one or more of its segments and/or less than expected levels of execution vis-à-vis its new product launches with its customers in one or more of its segments or regions, in each case whether attributable to COVID-19 or otherwise; (2) less than expected levels of advertising, promotional and/or marketing activities for its new product launches, less than expected acceptance of its advertising, promotional, pricing and/or marketing plans and/or brand communication by consumers and/or customers in one or more of its segments, less than expected investment in advertising, promotional and/or marketing activities or greater than expected competitive investment, in each case whether attributable to COVID-19 or otherwise; and/or (3) difficulties or disruptions impacting the Company's ability to ensure availability of its products where consumers shop, both in-store and increasingly online, including, without limitation, difficulties with, delays in or the inability to achieve the Company's expected results, such as due to, among other things, the Company's business experiencing greater than anticipated disruptions due to COVID-19 related uncertainty or other related factors making it more difficult to maintain relationships with employees, business partners or governmental entities and/or other unanticipated circumstances, trends or events affecting the Company's financial performance, including decreased consumer spending in response to the COVID-19 pandemic and related conditions and restrictions, weaker than expected economic conditions due to the COVID-19 pandemic and its related restrictions and conditions continuing for periods longer than currently estimated or COVID-19 expanding into more territories than currently anticipated, or other weakness in the consumption of beauty-related products, lower than expected acceptance of the Company's new products, adverse changes in foreign currency exchange rates, decreased sales of the Company's products as a result of increased competitive activities by the Company's competitors, the unavailability of one or more forms of additional credit in the current capital markets and/or decreased performance by third party suppliers;

(v) difficulties, delays or unanticipated costs or charges or less than expected cost reductions and other benefits resulting from the Company's restructuring activities, such as in connection with the 2018 Optimization Program and/or the Revlon 2020 Restructuring Program, higher than anticipated restructuring charges and/or payments and/or changes in the expected timing of such charges and/or payments; and/or less than expected additional sources of liquidity from such initiatives;

(vi) lower than expected operating revenues, cash on hand and/or funds available under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility and/or other permissible borrowings or generated from cost reductions resulting from the implementation of the Revlon 2020 Restructuring Program and the 2018 Optimization Program and/or other cost control initiatives, and/or from selling certain assets in connection with the Company's ongoing Strategic Review; higher than anticipated operating expenses, such as referred to in clause (viii) below; and/or less than anticipated cash generated by the Company's operations or unanticipated restrictions or taxes on repatriation of foreign earnings;

(vii) the unavailability of funds under the Amended 2016 Revolving Credit Facility, the 2020 Restated Line of Credit Facility and/or other permissible borrowings; the unavailability of funds under the 2018 Foreign Asset-Based Term Facility, such as due to reductions in the applicable borrowing base that could require certain mandatory prepayments; the unavailability of funds from difficulties, delays in or the Company's inability to take other
measures, such as reducing discretionary spending and/or less than expected liquidity from cost reductions resulting from the implementation of the Revlon 2020 Restructuring Program and the 2018 Optimization Program and from other cost reduction initiatives, and/or from selling certain assets in connection with the Company's ongoing Strategic Review;

(viii) higher than expected operating expenses, such as higher than expected purchases of permanent displays, capital expenditures, debt service payments and costs, cash tax payments, pension and other post-retirement plan contributions, payments in connection with the Company's restructuring programs (such as the 2018 Optimization Program and/or the Revlon 2020 Restructuring Program), severance not otherwise included in the Company's restructuring programs, business and/or brand acquisitions (including, without limitation, through licensing transactions), if any, additional debt and/or equity repurchases, if any, costs related to litigation, discontinuing non-core business lines and/or entering and/or exiting certain territories and/or channels of trade, advertising, promotional and marketing activities or for sales returns related to any reduction of space by the Company's customers, product discontinuances or otherwise;

(ix) unexpected significant impacts on the Company from changes in interest rates or foreign exchange rates;

(x) difficulties, delays or the inability of the Company to efficiently manage its cash and working capital;

(xi) lower than expected returns on pension plan assets and/or lower discount rates, which could result in higher than expected cash contributions, higher net periodic benefit costs and/or less than expected net periodic benefit income;

(xii) unexpected significant variances in the Company's tax provision, effective tax rate and/or unrecognized tax benefits, whether due to the enactment of the Tax Act or otherwise, such as due to the issuance of unfavorable guidance, interpretations, technical clarifications and/or technical corrections legislation by the U.S. Congress, the U.S. Treasury Department or the IRS, unexpected changes in foreign, state or local tax regimes in response to the Tax Act, and/or changes in estimates that may impact the calculation of the Company's tax provisions, as well as changes in circumstances that could adversely impact the Company's expectations regarding the establishment of additional valuation allowances on its deferred tax assets;

(xiii) unanticipated adverse effects on the Company's business, prospects, results of operations, financial condition and/or cash flows as a result of unexpected developments with respect to the Company's legal proceedings; and/or

(xiv) difficulties or delays that could affect the Company's ability to consummate one or more transactions pursuant to the Strategic Review, such as due to the Company's respective businesses experiencing disruptions due to transaction-related uncertainty or other factors.

Factors other than those listed above could also cause the Company's results to differ materially from expected results. This discussion is provided pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

## PART III

### Item 10. Directors, Executive Officers and Corporate Governance

A list of Revlon's directors and executive officers and biographical information and other information about them may be found under the caption "Proposal No. 1 - Election of Directors" and "Executive Officers," of Revlon's Proxy Statement for the 2021 Annual Stockholders' Meeting (the "2021 Proxy Statement"), which sections are incorporated by reference herein.

The information set forth under the caption "Code of Conduct and Business Ethics and Senior Financial Officer Code of Ethics" in the 2021 Proxy Statement is also incorporated herein by reference.

The information set forth under the caption "Delinquent Section 16(a) Reports" in the 2021 Proxy Statement is also incorporated herein by reference.

The information set forth under the captions "Executive Compensation," "Summary Compensation Table," "Outstanding Equity Awards at Fiscal Year-End," and "Director Compensation" in the 2021 Proxy Statement is also incorporated herein by reference.

Information regarding the Company's director nomination process, audit committee and audit committee financial expert matters may be found in the 2021 Proxy Statement under the captions "Corporate Governance-Board of Directors and its Committees-Director Nominating Processes; Diversity" and "Corporate Governance-Board of Directors and its Committees-Audit Committee-Composition of the Audit Committee," respectively. That information is incorporated herein by reference.

### Item 11. Executive Compensation

The information set forth under the captions "Executive Compensation," "Summary Compensation Table," "Outstanding Equity Awards at Fiscal Year-End," and "Director Compensation" in the 2021 Proxy Statement is incorporated herein by reference. The information set forth under the caption "Corporate Governance-Board of Directors and its Committees-Compensation Committee-Composition of the Compensation Committee" in the 2021 Proxy Statement is also incorporated herein by reference.

### Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information set forth under the captions "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information" in the 2021 Proxy Statement is incorporated herein by reference.

### Item 13. Certain Relationships and Related Transactions, and Director Independence

The information set forth under the captions "Certain Relationships and Related Transactions" and "Corporate Governance-Board of Directors and its Committees-Controlled Company Exemption" and "Corporate Governance-Board of Directors and its Committees-Audit Committee-Composition of the Audit Committee," respectively, in the 2021 Proxy Statement is incorporated herein by reference.

**Item 14. Principal Accounting Fees and Services**

## AUDIT FEES

Revlon's Board of Directors maintains an Audit Committee in accordance with applicable SEC rules and the NYSE's listing standards. In accordance with the Audit Committee's charter, a printable and current copy of which is available at www.revloninc.com, the Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the audit work of the Company's independent auditors for the purpose of preparing and issuing its audit reports or performing other audit, review or attest services for the Company. The independent auditors, KPMG, report directly to the Audit Committee and the Audit Committee is directly responsible for, among other things, reviewing in advance, and granting any appropriate pre-approvals of: (a) all auditing services to be provided by the independent auditor; and (b) all non-audit services to be provided by the independent auditor (as permitted by the Exchange Act), and in connection with such services to approve all fees and other terms of engagement, as required by the applicable rules under the Exchange Act and subject to the exemptions provided for in such rules. The Company maintains and updates annually an Audit Committee Pre-Approval Policy for pre-approving all permissible audit and non-audit services performed by KPMG. During 2020, an electronic printable copy of the 2020 Audit Committee Pre-Approval Policy was available at www.revloninc.com. A copy of the 2021 Audit Committee Pre-Approval Policy is attached to this 2020 Form 10-K as an exhibit and an electronic printable copy of such policy is currently available at www.revloninc.com. The Audit Committee also has the authority to approve services to be provided by KPMG at its meetings and by unanimous written consents.

The aggregate fees incurred for professional services by KPMG in 2020 and 2019 for these various services for the Company in the aggregate are set forth in the table, below:

| Types of Fees (USD in millions) | 2020 | 2019 |
|---|---|---|
| Audit Fees | $8.1 | $10.6 |
| Audit-Related Fees | 0.5 | 0.4 |
| Tax Fees | 1.6 | 0.5 |
| Total Fees | $10.2 | $11.5 |

In the above table, in accordance with the SEC definitions and rules: (a) "audit fees" are fees the Company paid KPMG for professional services rendered for: (i) the audits of the Company's annual financial statements and the effectiveness of Revlon's internal control over financial reporting; and (ii) the review of the financial statements included in the Company's Quarterly Reports on Form 10-Q, and for services that are normally provided by the auditor in connection with statutory and regulatory filings or engagements; (b) "audit-related fees" are fees billed by KPMG for assurance and related services that are traditionally performed by the auditor, including services performed by KPMG related to employee benefit plan audits and certain transactions, as well as attestation services not required by statute or regulation; (c) "tax fees" are fees for permissible tax compliance, tax advice and tax planning; and (d) "all other fees" are fees billed by KPMG to the Company for any permissible services not included in the first three categories.

All of the services performed by KPMG for the Company during 2020 and 2019 were either expressly pre-approved by the Audit Committee or were pre-approved in accordance with the Audit Committee Pre-Approval Policy, and the Audit Committee was provided with regular updates as to the nature of such services and fees paid for such services.

**Website Availability of Reports, Corporate Governance Information and Other Financial Information**

The Company maintains a comprehensive corporate governance program, including Corporate Governance Guidelines for Revlon's Board of Directors, Revlon's Board Guidelines for Assessing Director Independence and charters for Revlon's Audit Committee and Compensation Committee. Revlon maintains a corporate investor relations website, www.revloninc.com, where stockholders and other interested persons may review, without charge, among other things, Revlon's corporate governance materials and certain SEC filings (such as Revlon's annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements, annual reports, Section 16 reports reflecting certain changes in the stock ownership of Revlon's directors and Section 16 officers, and certain other documents filed with the SEC), each of which are generally available on the same business day as the filing date with the SEC on the SEC's website http://www.sec.gov. Products Corporation's SEC filings are also available on the SEC's website http://www.sec.gov. In addition, under the section of the website entitled, "Corporate Governance," Revlon posts printable copies of the latest versions of its Corporate Governance Guidelines, Board Guidelines for Assessing Director Independence and charters for Revlon's Audit Committee and Compensation Committee, as well as the Company's Code of Conduct and Business Ethics, which includes the Company's Code of Ethics for Senior Financial Officers, and the Audit Committee Pre-Approval Policy. From time-to-time, the Company may post on www.revloninc.com certain presentations that may include material information regarding its business, financial condition and/or results of operations. The business and financial materials and any other statement or disclosure on, or made available through, the websites referenced herein shall not be deemed incorporated by reference into this report.

## PART IV

**Item 15. Exhibits and Financial Statements**

**Exhibits**

| | |
|---|---|
| (a) | List of documents filed as part of this Report: |
| | (1) Consolidated Financial Statements and Reports of Independent Registered Public Accounting Firm included herein: See Index on page F-1. |
| | (2) Financial Statements: See Index on page F-1. |
| | All other schedules are omitted as they are inapplicable or the required information is furnished in the Company's Consolidated Financial Statements or the Notes thereto. |
| | (3) List of Exhibits: |
| 2. | ***Plan of acquisition, reorganization, arrangement, liquidation or succession.*** |
| 2.1 | Share Sale and Purchase Agreement, dated as of August 3, 2013, by and among Products Corporation, Beauty Care Professional Products Participations, S.A., Romol Hair & Beauty Group, S.L., Norvo, S.L. and Staubinus España, S.L. (incorporated by reference to Exhibit 2.1 to Revlon's Current Report on Form 8-K filed with the SEC on August 5, 2013). |
| 2.2 | Agreement and Plan of Merger, dated as of June 16, 2016, by and among Revlon, Products Corporation, RR Transaction Corp. and Elizabeth Arden (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K of Revlon filed with the SEC on June 17, 2016 (the "Revlon June 2016 Form 8-K")). |
| 3. | ***Certificate of Incorporation and By-laws.*** |
| 3.1 | Restated Certificate of Incorporation of Revlon, dated February 25, 2014 (incorporated by reference to Exhibit 3.1 of Revlon's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 filed with the SEC on March 5, 2014). |
| 3.2 | Second Amended and Restated By-Laws of Revlon, dated November 3, 2016 (incorporated by reference to Exhibit 3.1 to Revlon's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2016 filed with the SEC on November 4, 2016 (the "Revlon Q3 2016 Form 10-Q")). |
| 4. | ***Instruments Defining the Rights of Security Holders, Including Indentures.*** |
| 4.1 | Indenture, dated as of February 8, 2013, among Products Corporation, certain subsidiaries of Products Corporation as guarantors thereto, and U.S. Bank National Association, as trustee, relating to Products Corporation's 5.75% Senior Notes due 2021 (the "5.75% Senior Notes Indenture") (incorporated by reference to Exhibit 4.3 to Products Corporation's Quarterly Report on Form 10-Q for the fiscal period ended March 30, 2013 filed with the SEC on April 25, 2013 (the "Products Corporation Q1 2013 Form 10-Q")). |
| 4.2 | Form of 5.75% Senior Notes (included in Exhibit 4.1). |
| 4.3 | Registration Rights Agreement, dated as of February 8, 2013, among Products Corporation, certain subsidiaries of Products Corporation and Citigroup Global Markets Inc. ("CGMI"), as representative of the several initial purchasers of the 5.75% Senior Notes (incorporated by reference to Exhibit 4.5 to the Products Corporation Q1 2013 Form 10-Q). |
| 4.4 | Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of February 8, 2013, among Products Corporation, Revlon and certain subsidiaries of Products Corporation, as guarantors thereto, and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.6 to the Products Corporation Q1 2013 Form 10-Q). |
| 4.5 | Second Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of January 21, 2014, among Products Corporation, Revlon and certain subsidiaries of Products Corporation, as guarantors thereto, and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.27 to Products Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 filed with the SEC on March 5, 2014 (the "Products Corporation 2013 Form 10-K")). |
| 4.6 | Third Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of January 14, 2015, among Realistic Roux Professional Products Inc., Products Corporation, the Guarantors defined in the 5.75% Senior Notes Indenture, and U.S Bank National Association (incorporated by reference to Exhibit 10.1 to Products Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2015, filed with the SEC on July 29, 2015 (the "Products Corporation Q2 2015 Form 10-Q")). |
| 4.7 | Fourth Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of May 8, 2015, among RML, LLC, Products Corporation, the Guarantors defined in the 5.75% Senior Notes Indenture, and U.S Bank National Association (incorporated by reference to Exhibit 10.2 to the Products Corporation Q2 2015 Form 10-Q). |

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| 4.8 | Escrow Agreement for the 6.25% Senior Notes, dated as of August 4, 2016, by and among Revlon Escrow Corporation ("Escrow Corp."), U.S. Bank National Association, as trustee, and Citibank, N.A., as escrow agent (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K of Revlon filed with the SEC on August 5, 2016 (the "Revlon August 2016 Form 8-K")). |
| 4.9 | Indenture for the 6.25% Senior Notes, dated as of August 4, 2016 (the "6.25% Senior Notes Indenture"), by and between Escrow Corp. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Revlon August 2016 Form 8-K). |
| 4.10 | Registration Rights Agreement, dated as of August 4, 2016, by and among Escrow Corp, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") and CGMI as representatives of the initial purchasers (incorporated by reference to Exhibit 4.3 to the Revlon August 2016 Form 8-K). |
| 4.11 | First Supplemental Indenture to the 6.25% Senior Notes Indenture, dated as of September 7, 2016, by and among Products Corporation, the guarantors party thereto and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K of Revlon filed with the SEC on September 9, 2016 (the "Revlon September 2016 Form 8-K")). |
| 4.12 | Joinder Agreement to the Registration Rights Agreement, dated as of September 7, 2016, by and among Products Corporation, the guarantors party thereto and Merrill Lynch and CGMI, as representatives of the initial purchasers (incorporated by reference to Exhibit 4.2 to the Revlon September 2016 Form 8-K). |
| 4.13 | Term Loan Agreement, dated as of September 7, 2016, by and among Products Corporation, Revlon (solely for the purposes set forth therein), certain lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Revlon September 2016 Form 8-K). |
| 4.14 | Asset-Based Revolving Credit Agreement, dated as of September 7, 2016, by and among Products Corporation, certain local borrowing subsidiaries from time to time party thereto, Revlon (solely for the purposes set forth therein), certain lenders and issuing lenders party thereto and Citibank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender (incorporated by reference to Exhibit 10.2 to the Revlon September 2016 Form 8-K). |
| 4.15 | Term Loan Guarantee and Collateral Agreement, dated as of September 7, 2016, made by each of the signatories thereto in favor of Citibank, N.A., as collateral agent, for the benefit of the secured parties under the 2016 Term Loan Agreement (incorporated by reference to Exhibit 10.3 to the Revlon September 2016 Form 8-K). |
| 4.16 | Holdings Term Loan Guarantee and Pledge Agreement, dated as of September 7, 2016, made by Revlon in favor of Citibank, N.A., as collateral agent, for the benefit of the secured parties under the 2016 Term Loan Agreement (incorporated by reference to Exhibit 10.4 to the Revlon September 2016 Form 8-K). |
| 4.17 | ABL Guarantee and Collateral Agreement, dated as of September 7, 2016, made by each of the signatories thereto in favor of Citibank, N.A., as collateral agent, for the benefit of the secured parties under the 2016 Asset-Based Revolving Credit Agreement (incorporated by reference to Exhibit 10.5 to the Revlon September 2016 Form 8-K). |
| 4.18 | Holdings ABL Guarantee and Pledge Agreement, dated as of September 7, 2016, made by Revlon in favor of Citibank, N.A., as collateral agent, for the benefit of the secured parties under the 2016 Asset-Based Revolving Credit Agreement (incorporated by reference to Exhibit 10.6 to the Revlon September 2016 Form 8-K). |
| 4.19 | ABL Intercreditor Agreement, dated as of September 7, 2016, among Citibank, N.A., as ABL Agent, Citibank, N.A., as Initial Term Loan Agent, Revlon, Products Corporation, each subsidiary listed therein or that becomes a party thereto and each Other Term Loan Agent from time to time party thereto (incorporated by reference to Exhibit 10.7 to the Revlon September 2016 Form 8-K). |
| 4.20 | Second Supplemental Indenture to the 6.25% Senior Notes Indenture, dated as of February 13, 2017, by and among Products Corporation, Cutex, Inc. (a subsidiary of Products Corporation), the other Subsidiary Guarantors (as defined in the 6.25% Senior Notes Indenture) and U.S. Bank National Association, as trustee under the 6.25% Senior Notes Indenture (incorporated by reference to Exhibit 4.1 to Products Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2017 filed with the SEC on May 5, 2017 (the "Products Corporation Q1 2017 Form 10-Q")). |
| 4.21 | Fifth Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of February 13, 2017, by and among Cutex, Inc., Products Corporation, the other Guarantors (as defined in the 5.75% Senior Notes Indenture) and U.S. Bank National Association, as trustee under the 5.75% Senior Notes Indenture (incorporated by reference to Exhibit 4.2 to the Products Corporation Q1 2017 Form 10-Q). |
| 4.22 | Sixth Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of May 31, 2017, by and among Products Corporation and various of its subsidiaries, the other Guarantors (as defined in the Indenture ) and U.S. Bank National Association, as trustee under the Indenture (incorporated by reference to Exhibit 4.1 to Products Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2017, filed with the SEC on August 4, 2017). |

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| 4.23 | Seventh Supplemental Indenture to the 5.75% Senior Notes Indenture, dated as of November 13, 2020, by and among Products Corporation and various of its subsidiaries, the other Guarantors (as defined in the Indenture) and U.S. Bank National Association, as trustee under the Indenture (incorporated by reference to Exhibit 4.1 to Revlon's Current Report on Form 8-K, filed with the SEC on November 16, 2020). |
| 4.24 | Amendment No. 1, to the 2016 Revolving Credit Facility Agreement, dated as of April 17, 2018, among Products Corporation, Revlon, the other loan parties and lenders party thereto, and Citibank, N.A. (incorporated by reference to Exhibit 4.1 to Revlon's Current Report on Form 8-K filed with the SEC on April 19, 2018 (the "Revlon April 2018 Form 8-K")). |
| 4.25 | Amendment Agreement No. 1 to Canada - ABL Collateral Agreement, dated as of April 17, 2018, among Revlon Canada Inc., Elizabeth Arden (Canada) Limited and Citibank, N.A. (incorporated by reference to Exhibit 4.2 to the Revlon April 2018 Form 8-K). |
| 4.26 | Senior Unsecured Line of Credit Agreement, dated as of June 18, 2018, between Products Corporation, as borrower, and MacAndrews & Forbes Incorporated, as lender (incorporated by reference to Exhibit 10.1 to Products Corporation's Current Report on Form 8-K filed with the SEC on June 22, 2018). |
| 4.27 | Asset-Based Term Loan Credit Agreement, dated as of July 9, 2018, by and among Revlon Holdings B.V. and Revlon Finance LLC, as Borrowers, the Guarantors and Parent Guarantors party thereto, the Lenders party thereto and Citibank, N.A., as Administrative Agent and Collateral Agent, including all schedules and exhibits thereto (incorporated by reference to Exhibit 4.1 to Revlon's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2018, filed with the SEC on November 9, 2018 (the "Revlon Q3 2018 Form 10-Q")). |
| 4.28 | Guarantee Agreement, dated as of July 9, 2018, by and among the Guarantors party thereto and Citibank, N.A., as Collateral Agent, including all annexes thereto (incorporated by reference to Exhibit 4.2 to the Revlon Q3 2018 Form 10-Q). |
| 4.29 | Parent Guarantee Agreement, dated as of July 9, 2018, by and among Beautyge Beauty Group, S.L.U., Beautyge Participations, S.L.U., Elizabeth Arden (Netherlands) Holding B.V. and RML Holdings L.P., as Guarantors, and Citibank, N.A., as Collateral Agent, including all annexes thereto (incorporated by reference to Exhibit 4.3 to the Revlon Q3 2018 Form 10-Q). |
| 4.30 | Amended and Restated Senior Unsecured Line of Credit Agreement, dated as of November 7, 2019, between Products Corporation, as borrower, and MacAndrews & Forbes Group, LLC, as lender (incorporated by reference to Exhibit 4.1 to RCPC's Current Report on Form 10-Q filed with the SEC on November 8, 2019). |
| 4.31 | Term Loan Agreement, dated as of August 6, 2019, by and among Products Corporation, Revlon (solely for the purposes set forth therein), certain lenders party thereto and Wilmington Trust, National Association ("Wilmington Trust"), as administrative agent and collateral agent (incorporated by reference to Exhibit 4.2 to Revlon's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2019 filed with the SEC on August 8, 2019 (the "Revlon Q2 2019 Form 10-Q")). |
| 4.32 | Term Loan Guarantee and Collateral Agreement, dated as of August 6, 2019, made by each of the signatories thereto in favor of Wilmington Trust, as collateral agent, for the benefit of the Secured Parties under the Term Loan Agreement (incorporated by reference to Exhibit 4.3 to the Revlon Q2 2019 Form 10-Q). |
| 4.33 | Holdings Term Loan Guarantee and Pledge Agreement, dated as of August 6, 2019, made by Revlon in favor of Wilmington Trust, as collateral agent, for the benefit of the Secured Parties under the Term Loan Agreement (incorporated by reference to Exhibit 4.4 to the Revlon Q2 2019 Form 10-Q). |
| 4.34 | First Lien Pari Passu Intercreditor Agreement, dated as of August 6, 2019, between Revlon, Products Corporation, certain subsidiaries of Products Corporation party thereto from time to time, Wilmington Trust, as administrative agent and collateral agent, and Citibank, N.A. (incorporated by reference to Exhibit 4.5 to the Revlon Q2 2019 Form 10-Q). |
| 4.35 | BrandCo Guarantee and Security Agreement, dated as of August 6, 2019, made by each of the signatories thereto in favor of Wilmington Trust, as administrative agent, for the benefit of the Secured Parties under the Term Loan Agreement (incorporated by reference to Exhibit 4.6 to the Revlon Q2 2019 Form 10-Q). |
| 4.36 | Intellectual Property License Agreement, dated as of August 6, 2019, made between Beautyge II, LLC, Products Corporation and other signatories thereto (incorporated by reference to Exhibit 4.7 to the Revlon Q2 2019 Form 10-Q). |
| 4.37 | Amendment No. 2 to the 2016 Revolving Credit Facility Agreement, dated as of March 6, 2019, among Products Corporation, Revlon, the other loan parties and lenders party thereto, and Citibank, N.A. (incorporated by reference to Exhibit 4.1 to Revlon's Current Report on Form 8-K filed with the SEC on March 7, 2019). |
| 4.38 | Senior Unsecured Line of Credit Agreement, dated as of June 27, 2019, between Products Corporation, as borrower, and MacAndrews & Forbes Group, LLC, as lender (incorporated by reference to Exhibit 10.1 to Products Corporation's Current Report on Form 8-K filed with the SEC on July 1, 2019). |
| 4.39 | Description of Revlon, Inc.'s Securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.38 to the Revlon 2019 Form 10-K). |

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| 4.40 | Amendment No. 1, dated as of May 7, 2020, to the Term Credit Agreement, dated as of September 7, 2016 by and among Products Corporation, Revlon, certain lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 4.1 to Revlon's Form 10-Q filed with the SEC on August 6, 2020 (the "Revlon Q2 2020 Form 10-Q")). |
| 4.41 | Amendment No. 4, dated as of May 7, 2020, to the Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as amended), by and among Products Corporation, Revlon, certain lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 4.2 of the Revlon Q2 2020 Form 10-Q). |
| 4.42 | BrandCo Credit Agreement, dated as of May 7, 2020, by and among Products Corporation, Revlon (solely for the purposes set forth therein), certain lenders party thereto and Jefferies Finance LLC ("Jefferies"), as administrative agent and each collateral agent (incorporated by reference to Exhibit 4.3 of the Revlon Q2 2020 Form 10-Q). |
| 4.43 | Term Loan Guarantee and Collateral Agreement, dated as of May 7, 2020, made by each of the signatories thereto in favor of Jefferies, as pari passu collateral agent (incorporated by reference to Exhibit 4.4 of the Revlon Q2 2020 Form 10-Q). |
| 4.44 | Holdings Term Loan Guarantee and Pledge Agreement, dated as of May 7, 2020, made by Revlon in favor of Jefferies, as pari passu collateral agent (incorporated by reference to Exhibit 4.5 of the Revlon Q2 2020 Form 10-Q). |
| 4.45 | First Lien BrandCo Stock Pledge Agreement, dated as of May 7, 2020, by and among Products Corporation, certain subsidiaries of Products Corporation party thereto from time to time, and Jefferies, as first lien collateral agent (incorporated by reference to Exhibit 4.6 of the Revlon Q2 2020 Form 10-Q). |
| 4.46 | First Lien Pari Passu Intercreditor Agreement, dated as of May 7, 2020, by and among Revlon, Products Corporation, certain subsidiaries of Products Corporation party thereto from time to time, Jefferies, as administrative agent and collateral agent, and Citibank, N.A (incorporated by reference to Exhibit 4.7 of the Revlon Q2 2020 Form 10-Q). |
| 4.47 | Second Lien BrandCo Stock Pledge Agreement, dated as of May 7, 2020, by and among Products Corporation, certain subsidiaries of Products Corporation party thereto from time to time, and Jefferies, as second lien collateral agent (incorporated by reference to Exhibit 4.8 of the Revlon Q2 2020 Form 10-Q). |
| 4.48 | BrandCo First Lien Guarantee and Security Agreement, dated as of May 7, 2020, made by each of the signatories thereto in favor of Jefferies, as administrative agent and first lien collateral agent (incorporated by reference to Exhibit 4.9 of the Revlon Q2 2020 Form 10-Q). |
| 4.49 | Third Lien BrandCo Stock Pledge Agreement, dated as of May 7, 2020, by and among Products Corporation, certain subsidiaries of Products Corporation party thereto from time to time, and Jefferies, as third lien collateral agent (incorporated by reference to Exhibit 4.10 of the Revlon Q2 2020 Form 10-Q). |
| 4.50 | BrandCo Second Lien Guarantee and Security Agreement, dated as of May 7, 2020, made by each of the signatories thereto in favor of Jefferies, as administrative agent and second lien collateral agent (incorporated by reference to Exhibit 4.11 of the Revlon Q2 2020 Form 10-Q). |
| 4.51 | BrandCo Third Lien Guarantee and Security Agreement, dated as of May 7, 2020, made by each of the signatories thereto in favor of Jefferies, as administrative agent and collateral agent (incorporated by reference to Exhibit 4.12 of the Revlon Q2 2020 Form 10-Q). |
| 4.52 | First Lien/Second Lien/Third Lien Intercreditor Agreement, dated as of May 7, 2020, by and among Revlon, Products Corporation, certain subsidiaries of Products Corporation party thereto from time to time, and Jefferies, as administrative agent and each collateral agent (incorporated by reference to Exhibit 4.13 of the Revlon Q2 2020 Form 10-Q). |
| 4.53 | Amended and Restated Intellectual Property License Agreement, dated as of May 7, 2020, by and between Beautyge II, LLC and Products Corporation (incorporated by reference to Exhibit 4.14 of the Revlon Q2 2020 Form 10-Q). |
| 4.54 | Intellectual Property License Agreement, dated as of May 7, 2020, by and between BrandCo Elizabeth Arden 2020 LLC and Products Corporation (incorporated by reference to Exhibit 4.15 of the Revlon Q2 2020 Form 10-Q). |
| 4.55 | Intellectual Property License Agreement, dated as of May 7, 2020, by and between BrandCo Mitchum 2020 LLC and Products Corporation (incorporated by reference to Exhibit 4.16 of the Revlon Q2 2020 Form 10-Q). |
| 4.56 | Intellectual Property License Agreement, dated as of May 7, 2020, by and between BrandCo Multicultural Group 2020 LLC and Products Corporation (incorporated by reference to Exhibit 4.17 of the Revlon Q2 2020 Form 10-Q). |

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| 4.57 | Second Amended and Restated Senior Unsecured Line of Credit Agreement, dated as of September 28, 2020, between Products Corporation, as borrower, and MacAndrews & Forbes Group, LLC, as lender (incorporated by reference to Exhibit 4.1 to the Revlon Q3 2020 Form 10-Q filed with the SEC on November 13,2020). |
| 4.58 | Amendment No. 3 to the 2016 Revolving Credit Facility Agreement, dated as of April 17, 2020, among Products Corporation, Revlon, the other loan parties and lenders party thereto, and Citibank, N.A. (incorporated by reference to Exhibit 4.1 to Revlon's Current Report on Form 8-K, filed with the SEC on April 23, 2020). |
| 4.59 | Amendment No. 5, dated as of October 23, 2020, to the Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as amended), by and among Products Corporation, Revlon, certain lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 4.1 to Revlon's Current Report on Form 8-K, filed with the SEC on October 23, 2020). |
| 4.60 | Amendment No. 1 to the BrandCo Credit Agreement, dated as of November 13, 2020, among Revlon Products Corporation, as borrower, Revlon, Inc., the subsidiary guarantors party thereto, the lenders party thereto and Jefferies Finance LLC, as administrative agent (incorporated by reference to Exhibit 4.2 to Revlon's Current Report on Form 8-K, filed on November 16, 2020). |
| *4.61 | Amendment No. 7, dated as of March 8, 2021, to the Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as amended), by and among Products Corporation, Revlon, certain lenders party thereto and Citibank, N.A., as administrative agent and collateral agent. |
| 10. | ***Material Contracts.*** |
| 10.1 | Tax Sharing Agreement, dated as of June 24, 1992, among MacAndrews & Forbes, Revlon, Products Corporation and certain subsidiaries of Products Corporation, as amended and restated as of January 1, 2001 (incorporated by reference to Exhibit 10.2 to Products Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2001 filed with the SEC on February 25, 2002). |
| 10.2 | Tax Sharing Agreement, dated as of March 26, 2004, by and among Revlon, Products Corporation and certain subsidiaries of Products Corporation (incorporated by reference to Exhibit 10.25 to Products Corporation's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2004 filed with the SEC on May 17, 2004). |
| 10.3 | Form of Performance-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.1 to the Revlon Q3 2018 Form 10-Q). |
| 10.4 | Form of Time-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.2 to the Revlon Q3 2018 Form 10-Q). |
| 10.5 | Form of Restricted Stock Agreement (incorporated by reference to Exhibit 10.2 to the Revlon March 2016 Form 8-K). |
| 10.6 | Restricted Stock Unit Agreement between Revlon and E. Scott Beattie, dated November 3, 2016 (incorporated by reference to Exhibit 10.2 to the Revlon Q3 2016 Form 10-Q). |
| 10.7 | Fourth Amended and Restated Revlon, Inc. Stock Plan (as amended, the "Stock Plan") (incorporated by reference to Annex A to Revlon's Definitive Information Statement on Schedule 14C filed with the SEC on July 3, 2014). |
| 10.8 | Form of Restricted Stock Agreement under the Stock Plan (incorporated by reference to Exhibit 10.3 to Revlon's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2014 filed with the SEC on October 29, 2014). |
| 10.9 | Revlon Amended and Restated Executive Incentive Compensation Plan, dated as of March 24, 2016 (incorporated by reference to Annex D to Revlon's Annual Proxy Statement on Schedule 14A filed with the SEC on April 29, 2016). |
| 10.10 | Amended and Restated Revlon Pension Equalization Plan, amended and restated as of December 14, 1998 (the "PEP") (incorporated by reference to Exhibit 10.15 to Revlon's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 filed with the SEC on March 3, 1999). |
| 10.11 | Amendment to the PEP, dated as of May 28, 2009 (incorporated by reference to Exhibit 10.13 to Revlon's Annual Report on Form 10-K for the fiscal year ended December 31, 2009 filed with the SEC on February 25, 2010). |
| 10.12 | Executive Supplemental Medical Expense Plan Summary, dated July 2000 (incorporated by reference to Exhibit 10.10 to Revlon's Annual Report on Form 10-K for the fiscal year ended December 31, 2002 filed with the SEC on March 21, 2003). |
| 10.13 | Benefit Plans Assumption Agreement, dated as of July 1, 1992, by and among Revlon Holdings, Revlon and Products Corporation (incorporated by reference to Exhibit 10.25 to Products Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 1992 filed with the SEC on March 12, 1993). |

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| 10.14 | Revlon Executive Severance Pay Plan (Restated, Effective March 30, 2020) (incorporated by reference to Exhibit 10.1 to Revlon, Inc.'s Quarterly Report on Form 10-Q filed with the SEC on May 11, 2020 (the "Revlon Q1 2020 Form 10-Q")). |
| 10.15 | Amendment, dated as of April 10, 2020, to the Amended and Restated Employment Agreement, dated as of November 16, 2018, by and among Revlon, Products Corporation and Debra Perelman (incorporated by reference to Exhibit 10.2 to the Revlon Q1 2020 Form 10-Q). |
| 10.16 | Amendment, dated as of March 31, 2020, to the Employment Agreement, dated as of March 12, 2018, by and among Revlon, Products Corporation and Victoria Dolan (incorporated by reference to Exhibit 10.3 to the Revlon Q1 2020 Form 10-Q). |
| 10.17 | Amendment dated as of September 5, 2019 to the Fourth Amended and Restated Revlon, Inc. Stock Plan (incorporated by reference to Exhibit 10.1 to Revlon's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019, filed with the SEC on November 8, 2019 (the “Revlon Q3 2019 Form 10-Q”)). |
| 10.18 | Employment Agreement, dated as of January 2, 2020, by and among Revlon, Products Corporation and Sergio Pedreiro (incorporated by reference to Exhibit 10.19 to the Revlon 2019 Form 10-K). |
| 10.19 | Amendment, dated as of March 31, 2020 to the Employment Agreement, dated as of January 2, 2020, by and among Revlon, Products Corporation and Sergio Pedreiro (incorporated by reference to Exhibit 10.5 to the Revlon Q1 2020 Form 10-Q). |
| 10.20 | Amended and Restated Consulting Agreement between Products Corporation and E. Scott Beattie, dated March 11, 2020 (incorporated by reference to Exhibit 10.20 to the Revlon 2019 Form 10-K). |
| 10.21 | Amendment, dated as of March 30, 2020, to the Amended and Restated Consulting Agreement, dated as of March 11, 2020, between Products Corporation and E. Scott Beattie (incorporated by reference to Exhibit 10.7 to the Revlon Q1 2020 Form 10-Q). |
| *10.22 | Amendment No. 2, dated as of March 10, 2021, to the Amended and Restated Consulting Agreement, dated as of March 11, 2020, between Products Corporation and E. Scott Beattie. |
| 10.23 | Amendment, dated as of March 30, 2020, to the Consulting Agreement, dated as of November 7, 2019, between Products Corporation and Mitra Hormozi (incorporated by reference to Exhibit 10.8 to the Revlon Q1 2020 Form 10-Q). |
| 10.24 | Transaction Support Agreement, dated as of September 28, 2020, by and among Products Corporation, Revlon and certain beneficial holders, or investment advisors or managers for the account of beneficial holders, of term loans under the BrandCo Credit Agreement, dated as of May 7, 2020, by and among Products Corporation, Revlon, certain lenders party thereto and Jefferies Finance LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to Revlon's Current Report on Form 10-Q filed with the SEC on November 13, 2020). |
| *10.25 | Separation Agreement, dated as of November 20, 2020, by and among Revlon, Products Corporation and Sergio Pedreiro. |
| 21. | ***Subsidiaries.*** |
| *21.1 | Subsidiaries of Revlon, Inc. |
| 23. | ***Consents of Experts and Counsel.*** |
| *23.1 | Consent of KPMG LLP. |
| 24. | ***Powers of Attorney.*** |
| *24.1 | Power of Attorney executed by Ronald O. Perelman. |
| *24.2 | Power of Attorney executed by E. Scott Beattie. |
| *24.3 | Power of Attorney executed by Alan S. Bernikow. |
| *24.4 | Power of Attorney executed by Kristin Dolan. |
| *24.5 | Power of Attorney executed by Ceci Kurzman. |
| *24.6 | Power of Attorney executed by Victor Nichols. |
| *24.7 | Power of Attorney executed by Barry F. Schwartz. |
| *24.8 | Power of Attorney executed by Cristiana Falcone. |
| *31.1 | Certification of Debra Perelman, Chief Executive Officer, dated March 11, 2021, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act. |
| *31.2 | Certification of Victoria Dolan, Chief Financial Officer, dated March 11, 2021, pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act. |

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| **32.1 | Certification of Debra Perelman, Chief Executive Officer, dated March 11, 2021, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| **32.2 | Certification of Victoria Dolan, Chief Financial Officer, dated March 11, 2021, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| *99.1 | Revlon, Inc Audit Committee Pre-Approval Policy |
| *101.INS | Inline XBRL Instance Document |
| *101.SCH | Inline XBRL Taxonomy Extension Schema |
| *101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase |
| *101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase |
| *101.LAB | Inline XBRL Taxonomy Extension Label Linkbase |
| *101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase |
| *104 | Cover Page Interactive Data File, formatted in Inline XBRL and contained in Exhibit 101 |

*Filed herewith.
**Furnished herewith.

**REVLON, INC. AND SUBSIDIARIES**
**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Revlon, Inc.:

*Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Revlon, Inc. and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive loss, stockholders' deficiency, and cash flows for each of the years in the two-year period ended December 31, 2020, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 11, 2021 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

*Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

*Critical Audit Matters*

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

*Impairment of the goodwill of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units*

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company's goodwill balance as of December 31, 2020 was $563.7 million. The Company performs goodwill impairment testing on an annual basis and whenever events or changes in circumstances indicate that the carrying value of a reporting unit more likely than not exceeds its fair value using a discounted cash flow model. As a result, the Company performed impairment testing of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units in the first, second, and fourth quarters, which resulted in $99.8 million and $11.2 million impairments in the first and second quarter, respectively, of the associated goodwill.

We identified the evaluation of the impairment of goodwill of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units as a critical audit matter. There was a high degree of subjective auditor judgment in evaluating the key assumptions used in the discounted cash flow models used to estimate the fair values of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units. Specifically, the key assumptions, including forecasted net sales, forecasted earnings before interest, taxes, depreciation and amortization (EBITDA) margins, and discount rates, involved a high degree of subjective auditor judgment as minor changes to those assumptions could have a significant effect on the Company's assessment of the carrying value of goodwill.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's goodwill impairment assessment process. These included controls related to the determination of the estimated fair value of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units and the development of the assumptions described above. We evaluated the Company's forecasted net sales and EBITDA margins used in the fair value analyses by comparing forecasted net sales and forecasted EBITDA margins to historical actual results and forecasted net sales growth rates and EBITDA margins of peer companies based on publicly available market data. We compared the Company's historical net sales and EBITDA margin forecasts to actual results to assess the Company's ability to accurately forecast. In addition, we involved valuation professionals with specialized skill and knowledge, who assisted in:

- assessing the appropriateness of the valuation methodologies through comparison to standard valuation practices
- evaluating the appropriateness of the selected guideline public companies by researching the companies and reviewing the business description
- evaluating the discount rates by comparing them to discount rate ranges that were independently developed using publicly available market data for comparable companies

*Impairment of the indefinite-lived trade names of the Elizabeth Arden Fragrances, Elizabeth Arden Skin and Color, and Mass Portfolio reporting units*

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company's trade names balance as of December 31, 2020 was $115.9 million. The Company performs indefinite-lived trade name impairment testing using the relief from royalty method on an annual basis and whenever events or changes in circumstances indicate that the carrying value of a trade name more likely than not exceeds its fair value. As a result, the Company performed impairment testing of its indefinite-lived intangible assets in the first, second, and fourth quarters, which resulted in $24.5 million and $8.6 million impairments in the first and second quarter, respectively, of certain trade names within the Company's Elizabeth Arden Fragrances, Elizabeth Arden Skin and Color, and Mass Portfolio reporting units.

We identified the evaluation of impairment of the trade names as a critical audit matter. There was a high degree of subjective auditor judgment in evaluating the key assumptions used in the relief from royalty method used to estimate the fair value of the trade names. Specifically, the key assumptions including forecasted net sales, discount rates, and royalty rate assumptions, involved a high degree of subjective auditor judgment as minor changes to those assumptions could have a significant effect on the Company's assessment of the carrying value of indefinite-lived trade names.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's indefinite-lived trade names impairment assessment process. These included controls related to the determination of the estimated fair value of the trade names and the development of the assumptions described above. We evaluated the Company's forecasted net sales used in the analyses by comparing the forecasted net sales to historical actual results. We compared the Company's historical net sales forecasts to actual results to assess the Company's ability to accurately forecast. In addition, we involved valuation professionals with specialized skill and knowledge, who assisted in:

- assessing the appropriateness of the valuation methodologies through comparison to standard valuation practices
- evaluating the royalty rate assumptions used in the trade names valuations, by comparing them to publicly available market data for comparable royalty rates
- evaluating the discount rates used in the valuations of the trade names by comparing them to discount rate ranges that were independently developed using publicly available market data for comparable companies.

*Liquidity*

As discussed in Note 1 to the consolidated financial statements, at December 31, 2020, the Company believes its cash and cash equivalents and its existing credit capacity and management's actions in the normal course to reduce variable spending will be sufficient to fund the Company's planned operations for at least the next 12 months beyond the date of the issuance of the consolidated financial statements.

We identified the assessment of liquidity and the Company's ability to continue as a going concern as a critical audit matter. The evaluation of the Company's estimate of its cash inflows and outflows used in its forecasted model of liquidity for at least 12 months beyond the date of the issuance of the consolidated financial statements involved a high degree of subjective auditor judgment due to uncertainty in the estimate of cash inflows and outflows.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's assessment of its ability to continue as a going concern. These included controls related to the assumptions used in the forecasted model of liquidity and sensitivity analyses over the forecasted models of liquidity. We assessed the reasonableness of key assumptions underlying management's liquidity models, including forecasted net sales, forecasted earnings before interest, taxes, depreciation and amortization (EBITDA), and management's actions in the normal course to reduce variable spending, by comparing the key assumptions to historical results to assess management's ability to forecast. We performed sensitivity analyses to assess the impact of changes in the key assumptions included in management's liquidity forecast models. We assessed management's liquidity forecast model in the context of other audit evidence obtained during the audit to determine whether it supported or contradicted the conclusions reached by management.

/s/ KPMG LLP

We have served as the Company's auditor since 1991.

New York, New York
March 11, 2021

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Revlon, Inc.:

*Opinion on Internal Control Over Financial Reporting*

We have audited Revlon, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive loss, stockholders' deficiency, and cash flows for each of the years in the two-year period ended December 31, 2020, and the related notes (collectively, the consolidated financial statements), and our report dated March 11, 2021 expressed an unqualified opinion on those consolidated financial statements.

*Basis for Opinion*

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

*Definition and Limitations of Internal Control Over Financial Reporting*

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

New York, New York
March 11, 2021

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholder and Board of Directors
Revlon Consumer Products Corporation:

*Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Revlon Consumer Products Corporation and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive loss, stockholder's deficiency, and cash flows for each of the years in the two-year period ended December 31, 2020, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

*Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

*Critical Audit Matters*

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

*Impairment of the goodwill of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units*

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company's goodwill balance as of December 31, 2020 was $563.7 million. The Company performs goodwill impairment testing on an annual basis and whenever events or changes in circumstances indicate that the carrying value of a reporting unit more likely than not exceeds its fair value using a discounted cash flow model. As a result, the Company performed impairment testing of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units in the first, second, and fourth quarters, which resulted in $99.8 million and $11.2 million impairments in the first and second quarter, respectively, of the associated goodwill.

We identified the evaluation of the impairment of goodwill of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units as a critical audit matter. There was a high degree of subjective auditor judgment in evaluating the key assumptions used in the discounted cash flow models used to estimate the fair values of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units. Specifically, the key assumptions, including forecasted net sales, forecasted earnings before interest, taxes, depreciation and amortization (EBITDA) margins, and discount rates, involved a high degree of subjective auditor judgment as minor changes to those assumptions could have a significant effect on the Company's assessment of the carrying value of goodwill.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's goodwill impairment assessment process. These included controls related to the determination of the estimated fair value of the Elizabeth Arden Fragrances, Mass Portfolio, and Professional Portfolio reporting units and the development of the assumptions described above. We evaluated the Company's forecasted net sales and EBITDA margins used in the fair value analyses by comparing forecasted net sales and forecasted EBITDA margins to historical actual results and forecasted net sales growth rates and EBITDA margins of peer companies based on publicly available market data. We compared the Company's historical net sales and EBITDA margin forecasts to actual results to assess the Company's ability to accurately forecast. In addition, we involved valuation professionals with specialized skill and knowledge, who assisted in:

- assessing the appropriateness of the valuation methodologies through comparison to standard valuation practices
- evaluating the appropriateness of the selected guideline public companies by researching the companies and reviewing the business description
- evaluating the discount rates by comparing them to discount rate ranges that were independently developed using publicly available market data for comparable companies

*Impairment of the indefinite-lived trade names of the Elizabeth Arden Fragrances, Elizabeth Arden Skin and Color, and Mass Portfolio reporting units*

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company's trade names balance as of December 31, 2020 was $115.9 million. The Company performs indefinite-lived trade name impairment testing using the relief from royalty method on an annual basis and whenever events or changes in circumstances indicate that the carrying value of a trade name more likely than not exceeds its fair value. As a result, the Company performed impairment testing of its indefinite-lived intangible assets in the first, second, and fourth quarters, which resulted in $24.5 million and $8.6 million impairments in the first and second quarter, respectively, of certain trade names within the Company's Elizabeth Arden Fragrances, Elizabeth Arden Skin and Color, and Mass Portfolio reporting units.

We identified the evaluation of impairment of the trade names as a critical audit matter. There was a high degree of subjective auditor judgment in evaluating the key assumptions used in the relief from royalty method used to estimate the fair value of the trade names. Specifically, the key assumptions including forecasted net sales, discount rates, and royalty rate assumptions, involved a high degree of subjective auditor judgment as minor changes to those assumptions could have a significant effect on the Company's assessment of the carrying value of indefinite-lived trade names.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's indefinite-lived trade names impairment assessment process. These included controls related to the determination of the estimated fair value of the trade names and the development of the assumptions described above. We evaluated the Company's forecasted net sales used in the analyses by comparing the forecasted net sales to historical actual results. We compared the Company's historical net sales forecasts to actual results to assess the Company's ability to accurately forecast. In addition, we involved valuation professionals with specialized skill and knowledge, who assisted in:

- assessing the appropriateness of the valuation methodologies through comparison to standard valuation practices
- evaluating the royalty rate assumptions used in the trade names valuations, by comparing them to publicly available market data for comparable royalty rates
- evaluating the discount rates used in the valuations of the trade names by comparing them to discount rate ranges that were independently developed using publicly available market data for comparable companies.

*Liquidity*

As discussed in Note 1 to the consolidated financial statements, at December 31, 2020, the Company believes its cash and cash equivalents and its existing credit capacity and management's actions in the normal course to reduce variable spending will be sufficient to fund the Company's planned operations for at least the next 12 months beyond the date of the issuance of the consolidated financial statements.

We identified the assessment of liquidity and the Company's ability to continue as a going concern as a critical audit matter. The evaluation of the Company's estimate of its cash inflows and outflows used in its forecasted model of liquidity for at least 12 months beyond the date of the issuance of the consolidated financial statements involved a high degree of subjective auditor judgment due to uncertainty in the estimate of cash inflows and outflows.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's assessment of its ability to continue as a going concern. These included controls related to the assumptions used in the forecasted model of liquidity and sensitivity analyses over the forecasted models of liquidity. We assessed the reasonableness of key assumptions underlying management's liquidity models, including forecasted net sales, forecasted earnings before interest, taxes, depreciation and amortization (EBITDA), and management's actions in the normal course to reduce variable spending, by comparing the key assumptions to historical results to assess management's ability to forecast. We performed sensitivity analyses to assess the impact of changes in the key assumptions included in management's liquidity forecast models. We assessed management's liquidity forecast model in the context of other audit evidence obtained during the audit to determine whether it supported or contradicted the conclusions reached by management.

/s/ KPMG LLP

We have served as the Company's auditor since 1991.

New York, New York
March 11, 2021

**REVLON, INC. AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**(dollars in millions, except share and per share amounts)**

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 97.1 | $ 104.3 |
| Trade receivables, less allowance for doubtful accounts of $13.0 and $11.4 as of December 31, 2020 and December 31, 2019, respectively | 352.3 | 423.4 |
| Inventories, net | 462.6 | 448.4 |
| Prepaid expenses and other assets | 134.4 | 135.3 |
| Total current assets | 1,046.4 | 1,111.4 |
| Property, plant and equipment, net of accumulated depreciation of $528.9 and $488.1 as of December 31, 2020 and December 31, 2019, respectively | 352.0 | 408.6 |
| Deferred income taxes | 25.7 | 175.1 |
| Goodwill | 563.7 | 673.7 |
| Intangible assets, net of accumulated amortization and impairment of $296.8 and $226.4 as of December 31, 2020 and December 31, 2019, respectively | 430.8 | 490.7 |
| Other assets | 109.1 | 121.1 |
| Total assets | $ 2,527.7 | $ 2,980.6 |
| **LIABILITIES AND STOCKHOLDERS' DEFICIENCY** | | |
| Current liabilities: | | |
| Short-term borrowings | $ 2.5 | $ 2.2 |
| Current portion of long-term debt | 217.5 | 288.0 |
| Accounts payable | 203.3 | 251.8 |
| Accrued expenses and other current liabilities | 420.9 | 414.9 |
| Total current liabilities | 844.2 | 956.9 |
| Long-term debt | 3,105.0 | 2,906.2 |
| Long-term pension and other post-retirement plan liabilities | 212.4 | 181.2 |
| Other long-term liabilities | 228.1 | 157.5 |
| Stockholders' deficiency: | | |
| Class A Common Stock, par value $0.01 per share: 900,000,000 shares authorized; 56,742,513 and 56,470,490 shares issued as of December 31, 2020 and December 31, 2019, respectively | 0.5 | 0.5 |
| Additional paid-in capital | 1,082.3 | 1,071.9 |
| Treasury stock, at cost: 1,774,200 and 1,625,580 shares of Class A Common Stock as of December 31, 2020 and December 31, 2019, respectively | (35.2) | (33.5) |
| Accumulated deficit | (2,631.7) | (2,012.7) |
| Accumulated other comprehensive loss | (277.9) | (247.4) |
| Total stockholders' deficiency | (1,862.0) | (1,221.2) |
| Total liabilities and stockholders' deficiency | $ 2,527.7 | $ 2,980.6 |

See Accompanying Notes to Consolidated Financial Statements

**REVLON, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**
**(dollars in millions, except share and per share amounts)**

| | Year Ended December 31, | |
|---|---|---|
| | **2020** | **2019** |
| Net sales | $ 1,904.3 | $ 2,419.6 |
| Cost of sales | 860.5 | 1,052.2 |
| Gross profit | 1,043.8 | 1,367.4 |
| Selling, general and administrative expenses | 1,071.8 | 1,316.6 |
| Acquisition, integration and divestiture costs | 5.0 | 3.9 |
| Restructuring charges and other, net | 49.7 | 12.8 |
| Impairment charges | 144.1 | — |
| Gain on divested assets | (0.5) | (26.6) |
| Operating (loss) income | (226.3) | 60.7 |
| Other expenses: | | |
| Interest expense, net | 243.3 | 196.6 |
| Amortization of debt issuance costs | 26.8 | 14.6 |
| Gain on early extinguishment of debt | (43.1) | — |
| Foreign currency gains, net | (6.0) | (1.9) |
| Miscellaneous, net | 12.9 | 16.4 |
| Other expenses | 233.9 | 225.7 |
| Loss from continuing operations before income taxes | (460.2) | (165.0) |
| Provision for income taxes | 158.8 | 0.2 |
| Loss from continuing operations, net of taxes | (619.0) | (165.2) |
| Income from discontinued operations, net of taxes | — | 7.5 |
| Net loss | $ (619.0) | $ (157.7) |
| Other comprehensive income (loss): | | |
| Foreign currency translation adjustments[a] | 10.2 | (2.9) |
| Amortization of pension related costs, net of tax[b][c] | 11.4 | 9.0 |
| Pension re-measurement, net of tax [d] | (52.1) | (19.3) |
| Other comprehensive loss, net | (30.5) | (13.2) |
| Total comprehensive loss | $ (649.5) | $ (170.9) |
| Basic and Diluted (loss) earnings per common share: | | |
| Continuing operations | $ (11.59) | $ (3.11) |
| Discontinued operations | — | 0.14 |
| Net loss | $ (11.59) | $ (2.97) |
| Weighted average number of common shares outstanding: | | |
| Basic | 53,401,324 | 53,081,321 |
| Diluted | 53,401,324 | 53,081,321 |

[a] Net of tax expense of nil and $1.8 million for the years ended December 31, 2020 and 2019, respectively.
[b] Net of tax expense of nil and $1.1 million for the years ended December 31, 2020 and 2019, respectively.
[c] This amount is included in the computation of net periodic benefit costs (income). See Note 11, "Pension and Post-Retirement Benefits," for additional information regarding net periodic benefit costs (income).
[d] Net of tax benefit of $1.9 million and $5.2 million for the years ended December 31, 2020 and 2019, respectively.

See Accompanying Notes to Consolidated Financial Statements

**REVLON, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIENCY**
(dollars in millions, except share and per share amounts)

| | Common Stock | Additional Paid-In Capital | Treasury Stock | Accumulated Deficit | Accumulated Other Comprehensive (Loss) Income | Total Stockholders' Deficiency |
|---|---|---|---|---|---|---|
| Balance, January 1, 2020 | $ 0.5 | $ 1,071.9 | $ (33.5) | $ (2,012.7) | $ (247.4) | $ (1,221.2) |
| Treasury stock acquired, at cost [a] | — | — | (1.7) | — | — | (1.7) |
| Stock-based compensation amortization | — | 10.4 | — | — | — | 10.4 |
| Net loss | — | — | — | (619.0) | — | (619.0) |
| Other comprehensive (loss) income, net [b] | — | — | — | — | (30.5) | (30.5) |
| Balance, December 31, 2020 | $ 0.5 | $ 1,082.3 | $ (35.2) | $ (2,631.7) | $ (277.9) | $ (1,862.0) |

| | Common Stock | Additional Paid-In Capital | Treasury Stock | Accumulated Deficit | Accumulated Other Comprehensive (Loss) Income | Total Stockholders' Deficiency |
|---|---|---|---|---|---|---|
| Balance, January 1, 2019 | $ 0.5 | $ 1,063.8 | $ (31.9) | $ (1,855.0) | $ (234.2) | $ (1,056.8) |
| Treasury stock acquired, at cost [a] | — | — | (1.6) | — | — | (1.6) |
| Stock-based compensation amortization | — | 8.1 | — | — | — | 8.1 |
| Net loss | — | — | — | (157.7) | — | (157.7) |
| Other comprehensive (loss) income, net [b] | — | — | — | — | (13.2) | (13.2) |
| Balance, December 31, 2019 | $ 0.5 | $ 1,071.9 | $ (33.5) | $ (2,012.7) | $ (247.4) | $ (1,221.2) |

[a] Pursuant to the share withholding provisions of the Fourth Amended and Restated Revlon, Inc. Stock Plan (as amended, the "Stock Plan"), the Company withheld an aggregate of 148,620 and 92,260 shares of Revlon Class A Common Stock during the years ended December 31, 2020 and 2019, respectively, to satisfy certain minimum statutory tax withholding requirements related to the vesting of restricted shares and restricted stock units ("RSUs") for certain senior executives and employees. These withheld shares were recorded as treasury stock using the cost method, at a weighted-average price per share of $10.98 and $17.75 during the years ended December 31, 2020 and 2019, respectively, based on the closing price of Revlon Class A Common Stock as reported on the New York Stock Exchange (the "NYSE") consolidated tape on each respective vesting date, for a total of approximately $1.7 million and $1.6 million during the years ended December 31, 2020 and 2019, respectively. See Note 12, "Stock Compensation Plan," for details regarding restricted stock awards and RSUs under the Stock Plan.

[b] See Note 14, "Accumulated Other Comprehensive Loss," regarding the changes in the accumulated balances for each component of other comprehensive loss during the years ended December 31, 2020 and 2019, respectively.

See Accompanying Notes to Consolidated Financial Statements

**REVLON, INC. AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(dollars in millions)**

| | Year Ended December 31, | |
|---|---|---|
| | **2020** | **2019** |
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net loss | $ (619.0) | $ (157.7) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 143.3 | 162.9 |
| Foreign currency (gains) losses from re-measurement | (6.0) | (1.9) |
| Amortization of debt discount | 1.4 | 1.6 |
| Stock-based compensation amortization | 10.4 | 8.1 |
| Impairment charges | 144.1 | — |
| Provision (benefit) from deferred income taxes | 152.8 | (29.8) |
| Amortization of debt issuance costs | 26.8 | 14.6 |
| Gain on divested assets | (0.5) | (26.6) |
| Pension and other post-retirement cost | 4.0 | 7.2 |
| Gain on early extinguishment of debt | (43.1) | — |
| Paid-in-kind interest expense on the 2020 BrandCo Facilities | 10.8 | — |
| Change in assets and liabilities: | | |
| Decrease (increase) in trade receivables | 76.7 | 9.3 |
| (Increase) decrease in inventories | (8.4) | 74.5 |
| Decrease (increase) in prepaid expenses and other current assets | 8.0 | 16.8 |
| (Decrease) increase in accounts payable | (53.1) | (73.2) |
| (Decrease) increase in accrued expenses and other current liabilities | (9.9) | (42.4) |
| Increase (decrease) in deferred revenue | 71.6 | — |
| Pension and other post-retirement plan contributions | (9.8) | (12.1) |
| Purchases of permanent displays | (30.8) | (46.2) |
| Other, net | 33.4 | 26.6 |
| Net cash used in operating activities | (97.3) | (68.3) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Capital expenditures | (10.3) | (29.0) |
| Proceeds from the sale of certain assets | — | 31.1 |
| Net cash (used in) provided by investing activities | (10.3) | 2.1 |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Net increase (decrease) in short-term borrowings and overdraft | 4.3 | (17.3) |
| Borrowings under the 2020 BrandCo Facilities | 880.0 | — |
| Repurchases of the 5.75% Senior Notes | (281.4) | — |
| Net borrowings (repayments) under the Amended 2016 Revolving Credit Facility | (133.5) | (62.6) |
| Net borrowings (repayments) under the 2019 Term Loan Facility [(a)] | (200.0) | 200.0 |
| Repayments under the 2018 Foreign Asset-Based Term Loan | (31.4) | — |
| Repayments under the 2016 Term Loan Facility | (11.5) | (18.0) |
| Payment of financing costs | (122.0) | (15.3) |
| Tax withholdings related to net share settlements of restricted stock and RSUs | (1.7) | (1.6) |
| Other financing activities | (0.3) | (0.9) |
| Net cash provided by financing activities | 102.5 | 84.3 |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | 3.1 | (1.1) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (2.0) | 17.0 |
| Cash, cash equivalents and restricted cash at beginning of period [(b)] | 104.5 | 87.5 |
| Cash, cash equivalents and restricted cash at end of period [(b)] | $ 102.5 | $ 104.5 |
| *Supplemental schedule of cash flow information:* | | |
| Cash paid during the period for: | | |
| Interest | $ 238.6 | $ 194.6 |
| Income taxes, net of refunds | 18.6 | 9.9 |

| | | |
|---|---|---|
| *Supplemental schedule of non-cash investing and financing activities:* | | |
| Non-cash roll-up of participating lenders from the 2016 Term Loan Facility to the 2020 BrandCo Facilities | $ 846.0 | $ — |
| Paid-in-kind debt issuance costs capitalized to the 2020 BrandCo Facilities | 29.1 | — |
| Paid-in-kind interest capitalized to the 2020 BrandCo Facilities | 9.6 | — |
| Paid-in-kind fees for the B-2 Loans in the November 5.75% Senior Notes Exchange Offer | 17.5 | — |

[a] The Company fully repaid the 2019 Term Loan Facility in May 2020.

[b] These amounts include restricted cash of $5.4 million and $0.2 million as of December 31, 2020 and 2019, respectively. The balance as of December 31, 2020 represents: (i) cash on deposit in lieu of a mandatory prepayment under the 2018 Foreign Asset-Based Term Facility; and (ii) cash on deposit to support outstanding undrawn letters of credit. The balance as of December 31, 2019 represents: (i) cash on deposit in lieu of a mandatory prepayment under the 2018 Foreign Asset-Based Term Facility; and (ii) cash on deposit to support outstanding undrawn letters of credit. These balances were included within prepaid expenses and other current assets and other assets in the Company's Consolidated Balance Sheets as of December 31, 2020 and December 31, 2019, respectively.

See Accompanying Notes to Consolidated Financial Statements

**REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**(dollars in millions, except share and per share amounts)**

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 97.1 | $ 104.3 |
| Trade receivables, less allowance for doubtful accounts of $13.0 and $11.4 as of December 31, 2020 and December 31, 2019, respectively | 352.3 | 423.4 |
| Inventories, net | 462.6 | 448.4 |
| Prepaid expenses and other assets | 130.5 | 131.4 |
| Receivable from Revlon, Inc. | 170.0 | 161.2 |
| Total current assets | 1,212.5 | 1,268.7 |
| Property, plant and equipment, net of accumulated depreciation of $528.9 and $488.1 as of December 31, 2020 and December 31, 2019, respectively | 352.0 | 408.6 |
| Deferred income taxes | 34.1 | 158.1 |
| Goodwill | 563.7 | 673.7 |
| Intangible assets, net of accumulated amortization and impairment of $296.8 and $226.4 as of December 31, 2020 and December 31, 2019, respectively | 430.8 | 490.7 |
| Other assets | 109.1 | 121.1 |
| Total assets | $ 2,702.2 | $ 3,120.9 |
| **LIABILITIES AND STOCKHOLDER'S DEFICIENCY** | | |
| Current liabilities: | | |
| Short-term borrowings | $ 2.5 | $ 2.2 |
| Current portion of long-term debt | 217.5 | 288.0 |
| Accounts payable | 203.3 | 251.8 |
| Accrued expenses and other current liabilities | 423.2 | 418.2 |
| Total current liabilities | 846.5 | 960.2 |
| Long-term debt | 3,105.0 | 2,906.2 |
| Long-term pension and other post-retirement plan liabilities | 212.4 | 181.2 |
| Other long-term liabilities | 241.3 | 162.7 |
| Stockholder's deficiency: | | |
| Products Corporation Preferred stock, par value $1.00 per share; 1,000 shares authorized; 546 shares issued and outstanding as of December 31, 2020 and December 31, 2019, respectively | 54.6 | 54.6 |
| Products Corporation Common Stock, par value $1.00 per share; 10,000 shares authorized; 5,260 shares issued and outstanding as of December 31, 2020 and December 31, 2019, respectively | — | — |
| Additional paid-in capital | 1,006.9 | 996.5 |
| Accumulated deficit | (2,486.6) | (1,893.1) |
| Accumulated other comprehensive loss | (277.9) | (247.4) |
| Total stockholder's deficiency | (1,703.0) | (1,089.4) |
| Total liabilities and stockholder's deficiency | $ 2,702.2 | $ 3,120.9 |

See Accompanying Notes to Consolidated Financial Statements

**REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**
**(dollars in millions)**

| | Year Ended December 31, | |
|---|---|---|
| | **2020** | **2019** |
| Net sales | $ 1,904.3 | $ 2,419.6 |
| Cost of sales | 860.5 | 1,052.2 |
| Gross profit | 1,043.8 | 1,367.4 |
| Selling, general and administrative expenses | 1,064.6 | 1,308.7 |
| Acquisition, integration and divestiture costs | 5.0 | 3.9 |
| Restructuring charges and other, net | 49.7 | 12.8 |
| Impairment charges | 144.1 | — |
| Gain on divested assets | (0.5) | (26.6) |
| Operating (loss) income | (219.1) | 68.6 |
| Other expenses: | | |
| Interest expense, net | 243.3 | 196.6 |
| Amortization of debt issuance costs | 26.8 | 14.6 |
| Gain on early extinguishment of debt | (43.1) | — |
| Foreign currency gains, net | (6.0) | (1.9) |
| Miscellaneous, net | 12.9 | 16.4 |
| Other expenses | 233.9 | 225.7 |
| Loss from continuing operations before income taxes | (453.0) | (157.1) |
| Provision for (benefit from) income taxes | 140.5 | 1.6 |
| Loss from continuing operations, net of taxes | (593.5) | (158.7) |
| Income from discontinued operations, net of taxes | — | 7.5 |
| Net loss | $ (593.5) | $ (151.2) |
| Other comprehensive income (loss): | | |
| Foreign currency translation adjustments[(a)] | 10.2 | (2.9) |
| Amortization of pension related costs, net of tax[(b)(c)] | 11.4 | 9.0 |
| Pension re-measurement, net of tax [(d)] | (52.1) | (19.3) |
| Other comprehensive loss, net | (30.5) | (13.2) |
| Total comprehensive loss | $ (624.0) | $ (164.4) |

[(a)] Net of tax expense of nil and $1.8 million for the years ended December 31, 2020 and 2019, respectively.
[(b)] Net of tax expense of nil and $1.1 million for the years ended December 31, 2020 and 2019, respectively.
[(c)] This amount is included in the computation of net periodic benefit costs (income). See Note 11, "Pension and Post-Retirement Benefits," for additional information regarding net periodic benefit costs (income).
[(d)] Net of tax benefit of $1.9 million and $5.2 million for the years ended December 31, 2020 and 2019, respectively.

See Accompanying Notes to Consolidated Financial Statements

**REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENT OF STOCKHOLDER'S DEFICIENCY**
**(dollars in millions)**

| | Preferred Stock | Additional Paid-In Capital | Accumulated Deficit | Accumulated Other Comprehensive (Loss) Income | Total Stockholder's Deficiency |
|---|---|---|---|---|---|
| Balance, January 1, 2020 | $ 54.6 | $ 996.5 | $ (1,893.1) | $ (247.4) | $ (1,089.4) |
| Stock-based compensation amortization | — | 10.4 | — | — | 10.4 |
| Net loss | — | — | (593.5) | — | (593.5) |
| Other comprehensive (loss) income, net [a] | — | — | — | (30.5) | (30.5) |
| Balance, December 31, 2020 | $ 54.6 | $ 1,006.9 | $ (2,486.6) | $ (277.9) | $ (1,703.0) |

| | Preferred Stock | Additional Paid-In Capital | Accumulated Deficit | Accumulated Other Comprehensive (Loss) Income | Total Stockholder's Deficiency |
|---|---|---|---|---|---|
| Balance, January 1, 2019 | $ 54.6 | $ 988.4 | $ (1,741.9) | $ (234.2) | $ (933.1) |
| Stock-based compensation amortization | — | 8.1 | — | — | 8.1 |
| Net loss | — | — | (151.2) | — | (151.2) |
| Other comprehensive (loss) income, net [a] | — | — | — | (13.2) | (13.2) |
| Balance, December 31, 2019 | $ 54.6 | $ 996.5 | $ (1,893.1) | $ (247.4) | $ (1,089.4) |

[a] See Note 14, "Accumulated Other Comprehensive Loss," regarding the changes in the accumulated balances for each component of other comprehensive loss during the years ended December 31, 2020 and 2019, respectively.

See Accompanying Notes to Consolidated Financial Statements

**REVLON CONSUMER PRODUCTS CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(dollars in millions)**

| | Year Ended December 31, | |
|---|---|---|
| | **2020** | **2019** |
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | |
| Net loss | $ (593.5) | $ (151.2) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | 143.3 | 162.9 |
| Foreign currency (gains) losses from re-measurement | (6.0) | (1.9) |
| Amortization of debt discount | 1.4 | 1.6 |
| Stock-based compensation amortization | 10.4 | 8.1 |
| Impairment charges | 144.1 | — |
| Benefit from deferred income taxes | 134.9 | (30.0) |
| Amortization of debt issuance costs | 26.8 | 14.6 |
| Gain on divested assets | (0.5) | (26.6) |
| Pension and other post-retirement cost | 4.0 | 7.2 |
| Gain on early extinguishment of debt | (43.1) | — |
| Paid-in-kind interest expense on the 2020 BrandCo Facilities | 10.8 | — |
| Change in assets and liabilities: | | |
| Decrease (increase) in trade receivables | 76.7 | 9.3 |
| (Increase) decrease in inventories | (8.4) | 74.5 |
| Decrease (increase) in prepaid expenses and other current assets | (0.9) | 7.4 |
| (Decrease) increase in accounts payable | (53.1) | (73.2) |
| (Decrease) increase in accrued expenses and other current liabilities | (9.9) | (39.3) |
| Increase (decrease) in deferred revenue | 71.6 | — |
| Pension and other post-retirement plan contributions | (9.8) | (12.1) |
| Purchases of permanent displays | (30.8) | (46.2) |
| Other, net | 34.7 | 26.6 |
| Net cash used in operating activities | (97.3) | (68.3) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | |
| Capital expenditures | (10.3) | (29.0) |
| Proceeds from the sale of certain assets | — | 31.1 |
| Net cash (used in) provided by investing activities | (10.3) | 2.1 |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Net increase (decrease) in short-term borrowings and overdraft | 4.3 | (17.3) |
| Borrowings under the 2020 BrandCo Facilities | 880.0 | — |
| Repurchases of the 5.75% Senior Notes | (281.4) | — |
| Net borrowings (repayments) under the Amended 2016 Revolving Credit Facility | (133.5) | (62.6) |
| Net borrowings (repayments) under the 2019 Term Loan Facility [(a)] | (200.0) | 200.0 |
| Repayments under the 2018 Foreign Asset-Based Term Loan | (31.4) | — |
| Repayments under the 2016 Term Loan Facility | (11.5) | (18.0) |
| Payment of financing costs | (122.0) | (15.3) |
| Tax withholdings related to net share settlements of restricted stock and RSUs | (1.7) | (1.6) |
| Other financing activities | (0.3) | (0.9) |
| Net cash provided by financing activities | 102.5 | 84.3 |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | 3.1 | (1.1) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | (2.0) | 17.0 |
| Cash, cash equivalents and restricted cash at beginning of period [(b)] | 104.5 | 87.5 |
| Cash, cash equivalents and restricted cash at end of period [(b)] | $ 102.5 | $ 104.5 |
| *Supplemental schedule of cash flow information:* | | |
| Cash paid during the period for: | | |
| Interest | $ 238.6 | $ 194.6 |
| Income taxes, net of refunds | 18.6 | 9.9 |

| | | |
|---|---|---|
| *Supplemental schedule of non-cash investing and financing activities:* | | |
| Non-cash roll-up of participating lenders from the 2016 Term Loan Facility to the 2020 BrandCo Facilities | $ 846.0 | $ — |
| Paid-in-kind debt issuance costs capitalized to the 2020 BrandCo Facilities | 29.1 | — |
| Paid-in-kind interest capitalized to the 2020 BrandCo Facilities | 9.6 | — |
| Paid-in-kind fees for the B-2 Loans in the November 5.75% Senior Notes Exchange Offer | 17.5 | — |

[a] The Company fully repaid the 2019 Term Loan Facility in May 2020.

[b] These amounts include restricted cash of $5.4 million and $0.2 million as of December 31, 2020 and 2019, respectively, The balance as of December 31, 2020 represents: (i) cash on deposit in lieu of a mandatory prepayment under the 2018 Foreign Asset-Based Term Facility; and (ii) cash on deposit to support outstanding undrawn letters of credit. The balance as of December 31, 2019 represents: (i) cash on deposit in lieu of a mandatory prepayment under the 2018 Foreign Asset-Based Term Facility; and (ii) cash on deposit to support outstanding undrawn letters of credit. These balances were included within prepaid expenses and other current assets and other assets in the Company's Consolidated Balance Sheets as of December 31, 2020 and December 31, 2019, respectively.

See Accompanying Notes to Consolidated Financial Statements

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

## 1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revlon, Inc. ("Revlon" and together with its subsidiaries, the "Company") conducts its business exclusively through its direct wholly-owned operating subsidiary, Revlon Consumer Products Corporation ("Products Corporation") and its subsidiaries. Revlon is an indirect majority-owned subsidiary of MacAndrews & Forbes Incorporated (together with certain of its affiliates other than the Company, "MacAndrews & Forbes"), a corporation beneficially owned by Ronald O. Perelman. Mr. Perelman is Chairman of Revlon's and Products Corporation's Board of Directors.

The Company is a leading global beauty company with an iconic portfolio of brands that develops, manufactures, markets, distributes and sells an extensive array of color cosmetics; hair color, hair care and hair treatments; fragrances; skin care; beauty tools; men’s grooming products; anti-perspirant deodorants; and other beauty care products across a variety of distribution channels.

The Company operates in four brand-centric reporting units that are aligned with its organizational structure based on four global brand teams: Revlon; Elizabeth Arden; Portfolio; and Fragrances, which represent the Company's four reporting segments. For further information, refer to Note 16, "Segment Data and Related Information."

Unless the context otherwise requires, all references to the Company mean Revlon and its subsidiaries, including, without limitation, its wholly-owned operating subsidiary, Products Corporation. Revlon as a public holding company, has no business operations of its own and owns, as its only material asset, all of the outstanding capital stock of Products Corporation. As such, its net income/(loss) has historically consisted predominantly of the net income/(loss) of Products Corporation, and in 2020 and 2019 included $7.2 million and $7.9 million, respectively, in expenses incidental to being a public holding company.

The accompanying Consolidated Financial Statements include the Company's accounts after the elimination of all material intercompany balances and transactions. In management's opinion, all adjustments necessary for a fair presentation of the Company's financial information have been made.

Certain prior year amounts have been reclassified to conform to the current year presentation.

The preparation of the Company's Consolidated Financial Statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") requires management to make estimates and assumptions that affect amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from these estimates. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the Consolidated Financial Statements in the period they are determined to be necessary. Significant estimates made in the accompanying Consolidated Financial Statements include, but are not limited to: expected sales returns; certain assumptions related to the valuation of acquired intangible and long-lived assets and the recoverability of goodwill, intangible and long-lived assets; income taxes, including deferred tax valuation allowances and reserves for estimated tax liabilities; and certain estimates and assumptions used in the calculation of the net periodic benefit (income) costs and the projected benefit obligations for the Company’s pension and other post-retirement plans, including the expected long-term return on pension plan assets and the discount rate used to value the Company’s pension benefit obligations.

***Cash, Cash Equivalents and Restricted Cash***

Cash and cash equivalents include cash in banks and highly liquid investments with original maturity dates of three months or less. Accounts payable include $15.2 million and $13.3 million of outstanding checks not yet presented for payment at December 31, 2020 and 2019, respectively. The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the statements of financial position that sum to the total of the same such amounts shown in the statements of cash flows:

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Cash and cash equivalents | $ 97.1 | $ 104.3 |
| Restricted cash[(a)] | 5.4 | 0.2 |
| Total cash, cash equivalents and restricted cash | $ 102.5 | $ 104.5 |

[(a)]Amounts included in restricted cash represent cash on deposit to support the Company's letters of credit and is included within other assets in the Company's consolidated balance sheets.

***Trade Receivables***

Trade receivables represent payments due to the Company for previously recognized net sales, reduced by an allowance for doubtful accounts for balances which are estimated to be uncollectible at period end. The Company grants credit terms in the normal course of business to its customers. Trade credit is extended based upon periodically updated evaluations of each customer's ability to perform its payment obligations. The Company does not normally require collateral or other security to support credit sales. The Company's three largest customers accounted for an aggregate of approximately 41% and 33% of the Company's outstanding trade receivables at December 31, 2020 and 2019, respectively.

***Inventories***

Inventories are stated at the lower of cost or net realizable value. Cost is based on standard cost and production variances, which approximates actual cost on the first-in, first-out method. Cost components include direct materials, direct labor and direct overhead, as well as in-bound freight. The Company records adjustments to the value of its inventory based upon its forecasted plans to sell products included in inventory, as well as planned product discontinuances. The physical condition (e.g., age and quality) of the inventories is also considered in establishing its valuation. These adjustments are estimates, which could vary significantly, either favorably or unfavorably, from the amounts that the Company may ultimately realize upon the disposition of inventories if future economic conditions, customer inventory levels, product discontinuances, sales return levels or competitive conditions differ from the Company's estimates and expectations.

***Property, Plant and Equipment and Other Assets***

Property, plant and equipment is recorded at cost and is depreciated on a straight-line basis over the estimated useful lives of such assets as follows: land improvements, 20 to 30 years; buildings and improvements, 5 to 50 years; machinery and equipment, 3 to 15 years; counters and trade fixtures, 3 to 5 years; office furniture and fixtures, 3 to 15 years; and capitalized software, 2 to 10 years. Leasehold improvements and building improvements are amortized over their estimated useful lives or over the terms of the leases or remaining life of the original structure, whichever is shorter. Repairs and maintenance are charged to the statement of operations as incurred, and expenditures for additions and improvements are capitalized. Counters and trade fixtures are amortized over their estimated useful life of the in-store counter and display related assets. The estimated useful life may be subject to change based upon declines in net sales and/or changes in merchandising programs. See Note 5, "Property, Plant and Equipment," for further discussion.

Included in other assets are permanent wall displays amounting to $82.2 million and $101.0 million as of December 31, 2020 and 2019, respectively, which are amortized generally over a period of 1 to 3 years. In the event of product discontinuances, from time-to-time, the Company may accelerate the amortization of related permanent wall displays based on the estimated remaining useful life of the asset. Amortization expense for permanent wall displays was $50.1 million and $55.6 million for 2020 and 2019, respectively.

Long-lived assets, such as property, plant and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. If events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable, the Company estimates the undiscounted future cash flows (excluding interest) resulting from the use of the asset and its ultimate disposition. If the sum of the undiscounted cash flows (excluding interest) is less than the carrying value, the Company recognizes an impairment loss, measured as the amount by which the carrying value exceeds the fair value of the asset. There were no impairment charges to long-lived assets during the years ended December 31, 2020 and 2019, respectively.

***Deferred Financing Costs***

The Company capitalizes financing costs and amortizes such costs over the terms of the related debt instruments using the effective-interest method. Capitalized financing costs were $119.3 million and nil during 2020 and 2019, respectively.

***Leases***

The Company adopted Accounting Standards Update ("ASU") No. 2016-02, "Leases (Topic 842)" ("ASU No. 2016-02" or "ASC 842"), beginning as of January 1, 2019, using a modified retrospective approach and applying the standard’s transition provisions at the effective date of January 1, 2019. ASU No. 2016-02 requires that a lessee recognize, for both finance leases and operating leases, a liability to make lease payments (the lease liability) and a Right-of-Use (“ROU”) asset representing its right to use the underlying leased asset for the lease term. The lease liability is equal to the present value of the lease payments and the ROU asset is based on the lease liability, subject to certain adjustments, such as pre-payments, initial direct costs, lease incentives and accrued rent. In addition, upon adoption the Company elected the available practical expedients allowed by the guidance under:

- ASC 842-10-15-37, by not separating lease components from non-lease components and instead accounting for all components as a single lease component for all of its classes of underlying assets, i.e., for any type of equipment leases and real estate leases; and
- ASC 842-10-65-1, by not reassessing at the transition date: (i) whether any expired or existing contracts are or contain leases; (ii) lease classification for any expired or existing leases; and (iii) initial direct costs for any existing leases.

The Company determines if an arrangement is a lease at inception, considering whether the contract conveys a right to control the use of the identified asset for a period of time in exchange for consideration. Operating leases are included in ROU assets, recorded within “Property, Plant and Equipment,” and operating lease liabilities are recorded within either "Accrued expenses and other current liabilities" and/or "Other long-term liabilities" in the Company’s consolidated balance sheets. Finance leases are included in ROU assets recorded within “Property, Plant and Equipment,” and finance lease liabilities are recorded within either "Accrued expenses and other current liabilities" and/or "Other long-term liabilities" in the Company’s consolidated balance sheets, given their immateriality.

As most of the Company’s leases do not provide the lease implicit rates, the Company uses its incremental borrowing rates as the discount rate, adjusted as applicable, based on the information available at the lease commencement dates to determine the present value of lease payments. The Company may use the lease implicit rate, when readily determinable, as the discount rate to determine the present value of lease payments.

Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Operating lease expense is recognized on a straight-line basis over the applicable lease term.

At lease commencement, for initial measurement, variable lease payments that do not depend on an index or rate, if any, are excluded from lease payments. Subsequent to initial measurement, these variable payments are recognized when the event determining the amount of the variable consideration to be paid occurs. Leases with an initial lease term of 12 months or less are not included in the lease liability or ROU asset.

After adoption, ROU assets and lease liabilities for operating leases are measured in accordance with the guidance in ASC 842-20-35-3, and ROU assets and lease liabilities for finance leases are measured in accordance with the guidance in ASC 842-30-35-1. The Company’s ROU assets for operating or finance leases are subject to the impairment guidance in ASC 360, Property, Plant, and Equipment.

See Note 5, "Property, Plant and Equipment," for further information on the Company's leases.

***Goodwill***

Goodwill represents the excess purchase price for businesses acquired over the fair value of net assets acquired. Goodwill is not amortized, but rather it is reviewed annually for impairment at the reporting unit level using October 1st carrying values, or when there is evidence that events or changes in circumstances indicate that the Company’s carrying amount may not be recovered.

In accordance with ASC Topic 350, “Intangibles – Goodwill and Other,” the Company performs its annual impairment test during the fourth quarter of each year. The Company also reviews goodwill for impairment whenever events or changes in circumstances indicate that the carrying value of its goodwill may not be recoverable. After the close of each interim quarter, management assesses whether there exists any indicators of impairment requiring the Company to perform an interim goodwill impairment analysis.

In performing its goodwill impairment assessments, the Company uses the simplified approach allowed under ASU No. 2017-04, "Simplifying the Test for Goodwill Impairment." Following the results of such assessments, the Company records non-cash impairment charges in the amount by which the carrying value of each reporting unit exceeded its respective fair value, limited to the amount of each reporting unit's goodwill. Impairment charges are included as a separate component of operating income within the "Impairment charges" caption on the face of the Company's Consolidated Statement of Operations and Comprehensive Loss for the applicable quarter-to-date and year-to-date periods.

During 2020, the Company performed interim goodwill impairment analyses during the first, second and third quarters of the year, which resulted in the recognition of $99.8 million and $11.2 million of non-cash goodwill impairment charges in the first and second quarter of 2020, respectively, as further specified in Note 6, "Goodwill and Intangible Assets, Net".

For 2020, in assessing whether goodwill was impaired in connection with its annual impairment testing performed during the fourth quarter of 2020 using October 1, 2020 carrying values, the Company, in accordance with Financial Accounting

Standards Board ("FASB"), Accounting Standard Codification ("ASC") 350, Intangibles - Goodwill and Other ("ASC 350"), performed a qualitative assessment for its Revlon reporting unit and quantitative assessments for its (i) Elizabeth Arden Skin and Color, (ii) Elizabeth Arden Fragrances, (iii) Fragrances, and (iv) Professional Portfolio reporting units. As further specified in Note 6, "Goodwill", the Mass Portfolio reporting unit no longer has any goodwill associated with it starting from the second quarter of 2020.

For 2019, the Company did not have any goodwill impairment charges.

See Note 6, "Goodwill and Intangible Assets, Net," for further information on the Company's goodwill and annual impairment testing.

***Intangible Assets, net***

Intangible Assets, net, include trade names and trademarks, customer relationships, patents and internally developed intellectual property ("IP") and acquired licenses.

Indefinite-lived intangible assets, consisting of certain trade names, are not amortized, but rather are tested for impairment annually during the fourth quarter using October 1st carrying values similar to goodwill, in accordance with ASC 350, and the Company recognizes an impairment if the carrying amount of its intangible assets exceeds its fair value. Intangible assets with finite useful lives are amortized over their respective estimated useful lives to their estimated residual values. The Company writes off the gross carrying amount and accumulated amortization for intangible assets in the year in which the asset becomes fully amortized.

Finite-lived intangible assets are considered for impairment under ASC 360-10, Impairment and Disposal of Long-Lived Assets ("ASC 360"), upon the occurrence of certain "triggering events" and the Company recognizes an impairment if the carrying amount of the long-lived asset group exceeds the Company's estimate of the asset group's undiscounted future cash flows.

During 2020, in connection with the interim goodwill impairment assessments during the first, second and third quarters of 2020, the Company also reviewed indefinite-lived and finite-lived intangible assets for impairment. These interim reviews resulted in no interim impairment charges in connection with the carrying value of any of the Company's finite-lived intangible assets and in $24.5 million and $8.6 million of interim non-cash impairment charges in the first and second quarter of 2020, respectively, in connection with the Company's indefinite-lived intangible assets, as further specified in Note 6, "Goodwill and Intangible Assets, Net".

For 2020 and 2019, no impairment was recognized related to the carrying value of any of the Company's finite or indefinite-lived intangible assets as a result of the annual impairment testing.

See Note 6, "Goodwill and Intangible Assets, Net," for further discussion of the Company's intangible assets, including a summary of finite-lived and indefinite-lived intangible assets.

***Revenue Recognition and Sales Returns***

The Company follows ASU No. 2014-09, "Revenue from Contracts with Customers". In accordance with the guidance, the Company's policy is to recognize revenue at an amount that reflects the consideration that the Company expects that it will be entitled to receive in exchange for transferring goods or services to its customers. The Company's policy is to record revenue when control of the goods transfers to the customer. Net sales are comprised of gross revenues from sales of products less expected product returns, trade discounts and customer allowances, which include costs associated with off-invoice mark-downs and other price reductions, as well as trade promotions and coupons.

The Company allows customers to return their unsold products if and when they meet certain Company-established criteria as set forth in the Company's trade terms. The Company regularly reviews and revises, when deemed necessary, its estimates of sales returns based primarily upon the historical rate of actual product returns, planned product discontinuances, new product launches and estimates of customer inventory and promotional sales. For returned products that the Company expects to resell at a profit, the Company records, in addition to sales returns as a reduction to sales and cost of sales and an increase to accrued liabilities for the amount expected to be refunded to the customer, an increase to the asset account used to reflect the Company's right to recover products. The amount of the asset account is valued based upon the former carrying amount of the product (i.e., inventory), less any expected costs to recover the products. As the estimated product returns that are expected to be resold at a profit do not comprise a significant amount of the Company's net sales or assets, the Company does not separately report these amounts.

The Company's revenues are also net of certain marketing arrangements with its retail customers. Pursuant to its trade terms with these retail customers, the Company reimburses them for a portion of their advertising costs, which provide advertising benefits to the Company. These arrangements are in the form of marketing development funds and/or cooperative advertising programs and are used by the Company to drive sales. The advertising programs follow an annual schedule of planned events that is continually updated based on the Company's perceived needs and contractual terms. As these marketing expenditures cannot be directly linked to product sales, the Company records these expenses as a reduction of revenue at the higher of actual spend or estimated costs based on a reserve rate methodology. In limited instances when products are sold under consignment arrangements, the Company does not recognize revenue until control over such products has transferred to the end consumer. Other revenues, primarily royalties, do not comprise a material amount of the Company's net sales.

The Company incurs costs associated with product distribution, such as freight and handling costs. The Company has elected to treat these costs as fulfillment activities and recognizes these costs at the same time that it recognizes the underlying product revenue.

See Note 16, "Segment Data and Related Information," for additional disclosures related to ASU No. 2014-09, "Revenue from Contracts with Customers".

***Cost of Sales***

Cost of sales includes all of the costs to manufacture the Company's products. For products manufactured in the Company's own facilities, such costs include raw materials and supplies, direct labor and factory overhead. For products manufactured for the Company by third-party contractors, such cost represents the amounts invoiced by the contractors. Cost of sales also includes the cost of refurbishing products returned by customers that will be offered for resale and the cost of inventory write-downs associated with adjustments of held inventories to their net realizable value. These costs are reflected in the Company’s consolidated statements of operations and comprehensive (loss) income when the product is sold and net sales revenues are recognized or, in the case of inventory write-downs, when circumstances indicate that the carrying value of inventories is in excess of their recoverable value. Additionally, cost of sales reflects the costs associated with certain free products included as sales and promotional incentives. These incentive costs are recognized at the same time that the Company recognizes the related revenue.

***Selling, General and Administrative Expenses***

Selling, general and administrative ("SG&A") expenses include expenses to advertise the Company's products, such as television advertising production costs and air-time costs, print advertising costs, digital marketing costs, promotional displays and consumer promotions. SG&A expenses also include the amortization of permanent wall displays and finite-lived intangible assets, depreciation of certain fixed assets, distribution costs (such as freight and handling), non-manufacturing overhead (principally personnel and related expenses), selling and trade educations fees, insurance and professional service fees.

***Advertising***

Advertising within SG&A expenses includes television, print, digital marketing and other advertising production costs that are expensed the first time the advertising takes place. The costs of promotional displays are expensed in the period in which they are shipped to customers. Advertising expenses were $332.1 million and $446.8 million for 2020 and 2019, respectively, which were included in SG&A expenses in the Company's consolidated statements of operations and comprehensive (loss) income. The Company also has various arrangements with customers pursuant to its trade terms to reimburse them for a portion of their advertising costs, which provide advertising benefits to the Company. Additionally, from time-to-time, the Company may pay fees to customers in order to expand or maintain shelf space for its products. The costs that the Company incurs for "cooperative" advertising programs, end cap placement, shelf placement costs, slotting fees and marketing development funds, if any, are expensed as incurred and are recorded as a reduction within net sales.

***Distribution Costs***

Costs associated with product distribution, such as freight and handling costs, are recorded within SG&A expenses when incurred. Distribution costs were $106.9 million and $135.7 million for 2020 and 2019, respectively.

***Income Taxes***

Income taxes are calculated using the asset and liability method. Under this method, the Company recognizes deferred tax assets and liabilities for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases, as well as for operating loss and tax credit carryforwards. The Company measures deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company recognizes the effect of a change in income tax rates on deferred tax assets and liabilities in income in the period that includes the enactment

date. The Company records valuation allowances to reduce deferred tax assets when management determines that it was more likely than not that a tax benefit will not be realized. The Company recognizes a tax position in its financial statements when management determines that it was more likely than not that the position will be sustained upon examination, based on the merits of such position. The Company recognizes liabilities for unrecognized tax positions in the U.S. and other tax jurisdictions based on an estimate of whether and the extent to which additional taxes will be due. If payment of these amounts is ultimately not required, the reversal of the liabilities would result in additional tax benefits recognized in the period in which the Company determines that the liabilities are no longer required. If the estimate of tax liabilities is ultimately less than the final assessment, this will result in a further charge to expense. The Company recognizes interest and penalties related to income tax matters in income tax expense. See Note 13, "Income Taxes," for additional disclosures.

***Research and Development***

Research and development expenditures are expensed as incurred and included within SG&A expenses. The amounts charged in 2020 and 2019 for research and development expenditures were $29.3 million and $40.3 million, respectively.

***Foreign Currency Translation***

Assets and liabilities of foreign operations, whose functional currency is the local currency, are translated into U.S. Dollars at the rates of exchange in effect at the balance sheet date. Income and expense items are translated at the weighted-average exchange rates prevailing during each period presented. Gains and losses resulting from foreign currency transactions are included in the results of operations. Gains and losses resulting from translation of financial statements of foreign subsidiaries and branches operating in non-hyperinflationary economies are recorded as a component of accumulated other comprehensive loss until either the sale or upon the complete or substantially complete liquidation by the Company of its investment in a foreign entity. To the extent that foreign subsidiaries and branches operate in hyperinflationary economies, non-monetary assets and liabilities are translated at historical rates and translation adjustments are included in the Company's results of operations.

***Basic and Diluted Earnings per Common Share and Classes of Stock***

Shares used in basic earnings per share are computed using the weighted-average number of common shares outstanding during each period. Shares used in diluted earnings per share include the dilutive effect of unvested restricted shares and restricted stock units ("RSUs") issued under the Stock Plan using the treasury stock method. (See Note 17, "Revlon, Inc. Basic and Diluted Earnings (Loss) Per Common Share").

***Stock-Based Compensation***

The Company recognizes stock-based compensation costs for its restricted stock and restricted stock units, measured at the fair value of each award at the time of grant, as an expense over the period during which an employee is required to provide service. Upon the vesting of restricted stock and RSUs, any resulting tax benefits are recognized in the consolidated statements of operations and comprehensive (loss) income as the awards vest or are settled. The Company reflects such excess tax benefits as cash flows from financing activities in the consolidated statements of cash flows. The Company accounts for forfeitures as a reduction of compensation cost in the period when such forfeitures occur.

***Liquidity and Ability to Continue as a Going Concern***

The ongoing and prolonged COVID-19 pandemic has continued to adversely impact the Company’s business in 2020 and beyond, as social-distancing restrictions and related actions designed to curb the spread of the virus have remained in place or have been reinstated as the COVID-19 pandemic spikes across the globe. These adverse economic conditions have resulted in the general slowdown of the global economy, in turn contributing to a significant decline in net sales within each of the Company’s reporting segments and regions.

On October 23, 2020, Products Corporation commenced an amended exchange offer (as amended, the “Exchange Offer”) to exchange any and all of its outstanding 5.75% Senior Notes due 2021 (the “5.75% Senior Notes”), which closed on November 13, 2020. In the Exchange Offer, for each $1,000 principal amount of 5.75% Senior Notes validly tendered, holders received either, at their option, (i) $275 in cash (plus a $50 early tender/consent fee payable if such 5.75% Senior Notes were tendered at or before 11:59 p.m. New York City time on November 10, 2020 (the “Expiration Time”)), for an aggregate of $325 in cash (the “Cash Consideration”), or (ii) if the holder was an Eligible Holder, a combination of (1) $200 in cash (plus a $50 early tender/consent fee payable if such 5.75% Senior Notes were tendered at or before the Expiration Time), for an aggregate of $250 in cash, plus, (2) (A) the Per $1,000 Pro Rata Share (as hereinafter defined) of $50 million aggregate principal amount of new 2020 ABL FILO Term Loans (as hereinafter defined) and (B) the Per $1,000 Pro Rata Share of $75 million aggregate principal amount of the New BrandCo Second-Lien Term Loans (the “Mixed Consideration”). A holder was considered an “Eligible Holder” if the holder was: (a)(i) a qualified institutional buyer as defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”); (ii) an institutional accredited investor within the meaning of Rule 501(a)(1), (a)(2),

(a)(3) or (a)(7) of the Securities Act; or (iii) a person that is not a "U.S. person" within the meaning of Regulation S under the Securities Act, (b) not a natural person and (c) not a "Disqualified Institution" (as defined under the Amended 2016 Revolving Credit Facility (as hereinafter defined) and related security documents and intercreditor agreements or the 2020 BrandCo Term Loan Facility (as hereinafter defined) and related security documents and intercreditor agreements). The "Per $1,000 Pro Rata Share" is (1) $1,000, divided by (2) the aggregate principal amount of 5.75% Senior Notes tendered for Mixed Consideration by all Eligible Holders and accepted for payment by Products Corporation.

On November 13, 2020, the Company announced that the Exchange Offer was successfully consummated and that Products Corporation had accepted $236 million in aggregate principal amount of 5.75% Senior Notes tendered in the Exchange Offer. Products Corporation used cash on hand to redeem, effective as of November 13, 2020, the remaining $106.8 million in aggregate principal amount of 5.75% Senior Notes pursuant to the terms of the indenture governing the 5.75% Senior Notes. Following the consummation of the Exchange Offer and the satisfaction and discharge of the remaining 5.75% Senior Notes, no 5.75% Senior Notes remained outstanding.

On March 8, 2021, the Company amended its Amended 2016 Revolving Credit Facility to, among other things, extend the maturity date of the revolving facility thereunder from September 7, 2021 to June 8, 2023. Additionally, on March 2, 2021, the Company refinanced its 2018 Foreign Asset-Based Term Facility that was scheduled to mature on July 9, 2021 with a $75 million asset-based term loan facility with a scheduled maturity date of March 2, 2024, subject to a springing maturity date of August 1, 2023 if, on such date, any principal amount of loans under the 2016 Term Loan Agreement due September 7, 2023 remain outstanding. For further details of these financing transactions, see Note 21, "Subsequent Events".

Each reporting period, the Company assesses its ability to continue as a going concern for one year from the date the financial statements are issued. At December 31, 2020, the Company had a liquidity position of $249.9 million, consisting of: (i) $97.1 million of unrestricted cash and cash equivalents (with approximately $89.8 million held outside the U.S.); (ii) $168.0 million in available borrowing capacity under Products Corporation's Amended 2016 Revolving Credit Facility (which had $188.9 million drawn at such date); and less (iii) approximately $15.2 million of outstanding checks. The Company's evaluation includes its ability to meet its future contractual obligations and other conditions and events that may impact its liquidity.

The uncertainty as to Products Corporation's ability to extend or refinance the Amended 2016 Revolving Credit Facility raised substantial doubt about the Company's ability to continue as a going concern as of the end of the third quarter of 2020. As a result of the transactions that were completed during the fourth quarter of 2020 and the first quarter of 2021, substantial doubt about the Company's ability to continue as a going concern no longer exists. However, the Company continues to focus on cost reduction and risk mitigation actions to address both the ongoing and prolonged impacts from the COVID-19 pandemic as well as other risks in the business environment. It expects to generate additional liquidity through continued actions related to the Revlon 2020 Restructuring Program and other cost control initiatives as well as funds provided by selling certain assets or other strategic transactions in connection with the Company's ongoing Strategic Review. If sales continue to decline, the Company's cost control initiatives may include reductions in discretionary spend and reductions in investments in capital and permanent displays. Management believes that the recent successful closing of the Exchange Offer and the other recent debt activities, along with existing cash and cash equivalents and cost control initiatives provides the Company with sufficient liquidity to meet its obligations and maintain business operations for the next twelve months.

However, there can be no assurance that available funds will be sufficient to meet the Company's cash requirements on a consolidated basis, as, among other things, the Company's liquidity can be impacted by a number of factors, including its level of sales, costs and expenditures, as well as accounts receivable and inventory, which serve as the principal variables impacting the amount of liquidity available under the Amended 2016 Revolving Credit Facility and the 2018 Foreign Asset-Based Term Facility. For example, subject to certain exceptions, loans under the 2018 Foreign Asset-Based Term Facility must be prepaid to the extent that outstanding loans exceed the borrowing base, consisting of accounts receivable and inventory.

***Recent Transactions***

On December 22, 2020, certain of the Company's subsidiaries and Helen of Troy Limited (the "Licensee") entered into a Trademark License Agreement (the "License Agreement") to combine and revise the existing licenses that are in place between the parties. The License Agreement grants the Licensee the exclusive right to use the "Revlon" brand in connection with the manufacture, display, advertising, promotion, labeling, sale, marketing and distribution of certain hair and grooming products until December 31, 2060 (with 3 additional 20-year renewal periods) in exchange for a one-time, upfront cash fee of $72.5 million, which is included as deferred revenue within Other long-term liabilities and Accrued expenses and other current

liabilities on the Company's Consolidated Balance Sheets. The deferred revenue will be amortized to royalty income within "Net Sales" on the Company's Consolidated Statement of Operations over a period of 26 years, estimated based on the point in time in which 90% of the total discounted cash flows is captured.

***Recently Evaluated and/or Adopted Accounting Pronouncements***

In August 2018, the FASB issued ASU No. 2018-14, "Compensation-Retirement Benefits-Defined Benefit Plans-General (Subtopic 715): Disclosure Framework-Changes to the Disclosure Requirements for Defined Benefit Plans." This new guidance removes certain disclosures that are not considered cost beneficial, clarifies certain required disclosures and requires certain additional disclosures. This guidance is effective for fiscal years ending after December 15, 2020. The Company adopted this guidance (on a retrospective basis for certain new additional disclosures), as of December 31, 2020. This pronouncement only affects disclosure items and has no impact on the Company's results of operations, financial condition and/or financial statement disclosures.

In August 2018, the FASB issued Accounting Standard Update ("ASU") No. 2018-15, "Internal Use Software (Subtopic 350-40) - Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract," which requires a customer in a cloud computing hosting arrangement that is a service contract to follow the existing guidance in ASC 350-40 on internal-use software to determine which implementation costs are to be deferred and recognized as an asset and which costs are to be expensed as incurred. This guidance is effective for annual periods beginning after December 15, 2019, with early adoption permitted, and may be applied either retrospectively or prospectively to all software implementation costs incurred after adoption. The Company adopted ASU No. 2018-15 prospectively, beginning as of January 1, 2020. The adoption of this new guidance did not have a material impact on the Company's results of operations, financial condition and/or financial statement disclosures.

***Recently Issued Accounting Pronouncements***

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting." The new guidance under ASU 2020-04 provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts and hedging relationships that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. These amendments are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. The Company is in the process of assessing the impact, if any, that ASU No. 2020-04 is expected to have on the Company's results of operations, financial condition and/or financial statement disclosures.

In December 2019, the FASB issued ASU No. 2019-12, "Income Taxes (Topic 740) - Simplifying the Accounting for Income Taxes," which removes certain exceptions for recognizing deferred taxes for investments, performing intra-period allocations, calculating income taxes in interim periods and how a company accounts for future events. This ASU also adds guidance to reduce complexity in certain areas, including recognizing deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. This guidance is effective for annual periods beginning after December 15, 2020, with early adoption permitted, including adoption in any interim period. An entity that elects to early adopt the amendments in an interim period should reflect any adjustments as of the beginning of the annual period that includes that interim period. After reviewing this ASU, the Company will adopt this guidance beginning as of January 1, 2021. The Company completed its assessment of the possible effects of this ASU upon its implementation and determined that it is not expected to have significant impacts on the Company's results of operations, financial condition and/or financial statement disclosures.

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments," which was subsequently amended in November 2018 through ASU No. 2018-19, "Codification Improvements to Topic 326, Financial Instruments - Credit Losses." ASU No. 2016-13 will require entities to estimate lifetime expected credit losses for trade and other receivables, net investments in leases, financing receivables, debt securities and other instruments, which will result in earlier recognition of credit losses. Further, the new credit loss model will affect how entities in all industries estimate their allowance for losses for receivables that are current with respect to their payment terms. In November 2019, the FASB issued ASU No. 2019-10, which, among other things, deferred the application of the new guidance on credit losses for smaller reporting companies ("SRC") to fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. This guidance will be applied through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective (i.e., a modified-retrospective approach). Under the above-mentioned deferral, the Company expects to adopt ASU No. 2016-03, and the related ASU No. 2018-19 amendments, beginning as of January 1, 2023 and is in the process of assessing the impact, if any, that this

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

new guidance is expected to have on the Company's results of operations, financial condition and/or financial statement disclosures.

## 2. RESTRUCTURING CHARGES

***Revlon 2020 Restructuring Program***

Building upon its previously completed 2018 Optimization Program, in March 2020 the Company announced that it was implementing a worldwide organizational restructuring (the "Revlon 2020 Restructuring Program") designed to reduce the Company's selling, general and administrative expenses, as well as cost of goods sold, improve the Company's gross profit and Adjusted EBITDA and maximize productivity, cash flow and liquidity. The Revlon 2020 Restructuring Program includes rightsizing the organization and operating with more efficient workflows and processes. The leaner organizational structure is also expected to improve communication flow and cross-functional collaboration, leveraging the more efficient business processes.

As a result of the Revlon 2020 Restructuring Program, the Company expects to eliminate approximately 975 positions worldwide, including approximately 625 current employees and approximately 350 open positions of which approximately 915 were eliminated by December 31, 2020. In March 2020, the Company began informing certain employees that were affected by the Revlon 2020 Restructuring Program. While certain aspects of the Revlon 2020 Restructuring Program may be subject to consultations with employees, works councils, unions and/or governmental authorities, the Company substantially completed the employee-related actions in 2020 and expects to complete the other consolidation and outsourcing actions during 2021 and 2022.

In connection with implementing the Revlon 2020 Restructuring Program, the Company recognized during 2020 $68.8 million of total pre-tax restructuring and related charges (the "2020 Restructuring Charges"), consisting primarily of employee-related costs, such as severance, retention and other contractual termination benefits. The Company expects that substantially all of the restructuring and related charges under the Revlon 2020 Restructuring Program will be paid in cash, with $51.5 million of the total charges paid in 2020, with the remaining balance expected to be paid after 2020.

A summary of the 2020 Restructuring Charges incurred since its inception in March 2020 and through December 31, 2020 is presented in the following table:

| | Restructuring Charges and Other, Net | | | | | |
|---|---|---|---|---|---|---|
| | Employee Severance and Other Personnel Benefits | Other Costs | Total Restructuring Charges | Leases (a) | Other Related Charges (b) | Total Restructuring and Related Charges |
| Cumulative charges incurred through December 31, 2020 | $ 48.6 | $ 1.9 | $ 50.5 | $ 12.6 | $ 5.7 | $ 68.8 |

(a) Lease-related charges are recorded within SG&A in the Company's Consolidated Statement of Operations and Comprehensive Loss. These lease-related charges include: (i) $3.5 million for accelerated recognition of rent expense related to certain abandoned leases; (ii) $3.0 million for the disposal of leasehold improvements and other equipment in connection with certain leases; (iii) $5.2 million of rent expense related to the Revlon 2020 Restructuring Program; and (iv) $0.9 million of disposal of leasehold improvements and other equipment in connection with the abandoned leases identified in clause (i) of this footnote (a).

(b) Other related charges are recorded within SG&A and cost of sales in the Company's Consolidated Statement of Operations and Comprehensive Loss.

A summary of the 2020 Restructuring Charges incurred since its inception in March 2020 and through December 31, 2020 by reportable segment is presented in the following table:

| | Cumulative charges incurred through December 31, 2020 |
|---|---|
| Revlon | $ 20.7 |
| Elizabeth Arden | 9.4 |
| Portfolio | 13.6 |
| Fragrances | 6.8 |
| Total | $ 50.5 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

***2018 Optimization Restructuring Program***

In November 2018, the Company announced that it was implementing the 2018 Optimization Restructuring Program (the "2018 Optimization Program") designed to streamline the Company's operations, reporting structures and business processes, with the objective of maximizing productivity and improving profitability, cash flows and liquidity. The 2018 Optimization Program was substantially completed by December 31, 2019.

As of December 31, 2020, restructuring and related charges under the 2018 Optimization Program expected to be paid in cash are approximately $31.8 million of the total $39.7 million of recorded charges, of which $30.7 million were already paid since the inception of the program and through December 31, 2020, with any residual balance expected to be paid during 2021.

A summary of the 2018 Optimization Restructuring Charges incurred since its inception in November 2018 and through December 31, 2020 is presented in the following table:

| | Restructuring Charges and Other, Net | | | | | |
|---|---|---|---|---|---|---|
| | Employee Severance and Other Personnel Benefits[a] | Other Costs | Total Restructuring Charges | Inventory Adjustments[b] | Other Related Charges[c] | Total Restructuring and Related Charges |
| Charges incurred through December 31, 2019 | $ 20.3 | $ 0.3 | $ 20.6 | $ 4.9 | $ 14.0 | $ 39.5 |
| Charges incurred during the year ended December 31, 2020 | (0.6) | — | (0.6) | — | 0.8 | 0.2 |
| Cumulative charges incurred through December 31, 2020 | $ 19.7 | $ 0.3 | $ 20.0 | $ 4.9 | $ 14.8 | $ 39.7 |

[a] Includes reversal due to true-up of previously-accrued restructuring charges.
[b] Inventory adjustments are recorded within cost of sales in the Company's Consolidated Statement of Operations and Comprehensive Loss.
[c] Other related charges are recorded within SG&A in the Company's Consolidated Statement of Operations and Comprehensive Loss.

A summary of the 2018 Optimization Restructuring Charges incurred since its inception in November 2018 and through December 31, 2020 by reportable segment is presented in the following table:

| | Charges incurred during the year ended December 31, 2020 | Cumulative charges incurred through December 31, 2020 |
|---|---|---|
| Revlon | $ (0.3) | $ 8.5 |
| Elizabeth Arden | (0.1) | 4.2 |
| Portfolio | (0.1) | 3.9 |
| Fragrances | (0.1) | 3.4 |
| Total | $ (0.6) | $ 20.0 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

***Restructuring Reserve***

The liability balance and related activity for each of the Company's restructuring programs are presented in the following table:

| | Liability Balance at January 1, 2020 | Expense, Net | Foreign Currency Translation | Utilized, Net: Cash | Utilized, Net: Non-cash | Liability Balance at December 31, 2020 |
|---|---|---|---|---|---|---|
| Revlon 2020 Restructuring Program: | | | | | | |
| Employee severance and other personnel benefits | $ — | $ 48.6 | $ — | $ (36.0) | $ — | $ 12.6 |
| Other | — | 1.9 | — | (1.9) | — | — |
| Total Revlon 2020 Restructuring Program | — | 50.5 | — | (37.9) | — | 12.6 |
| 2018 Optimization Program: | | | | | | |
| Employee severance and other personnel benefits | 5.7 | (0.6) | — | (4.0) | — | 1.1 |
| Total 2018 Optimization Program | 5.7 | (0.6) | — | (4.0) | — | 1.1 |
| Other immaterial actions:[a] | | | | | | |
| Employee severance and other personnel benefits | 4.3 | (0.2) | 0.2 | (4.2) | — | 0.1 |
| Total restructuring reserve | $ 10.0 | $ 49.7 | $ 0.2 | $ (46.1) | $ — | $ 13.8 |

[a] The balance of other immaterial restructuring initiatives primarily consists of balances outstanding under the EA Integration Restructuring Program implemented by the Company in December 2016, which was completed by December 2018. The reversal of charges and payments made during the year ended December 31, 2020 primarily related to other individually and collectively immaterial restructuring initiatives.

| | Liability Balance at January 1, 2019 | Expense, Net | Foreign Currency Translation | Utilized, Net: Cash | Utilized, Net: Non-cash | Liability Balance at December 31, 2019 |
|---|---|---|---|---|---|---|
| 2018 Optimization Program: | | | | | | |
| Employee severance and other personnel benefits | $ 3.7 | $ 15.8 | $ — | $ (13.8) | $ — | $ 5.7 |
| Other | — | 0.3 | — | (0.3) | — | — |
| Total 2018 Optimization Program | 3.7 | 16.1 | — | (14.1) | — | 5.7 |
| EA Integration Restructuring Program: | | | | | | |
| Employee severance and other personnel benefits | 13.8 | (1.9) | (0.2) | (7.7) | — | 4.0 |
| Other[a] | 3.4 | — | — | (0.3) | (3.5) | (0.4) |
| Total EA Integration Restructuring Program | 17.2 | (1.9) | (0.2) | (8.0) | (3.5) | 3.6 |
| Other immaterial actions:[b] | | | | | | |
| Employee severance and other personnel benefits | 4.6 | (1.4) | — | (1.8) | (1.1) | 0.3 |
| Other | 0.9 | — | — | (0.5) | — | 0.4 |
| Total other immaterial actions | 5.5 | (1.4) | — | (2.3) | (1.1) | 0.7 |
| Total restructuring reserve | $ 26.4 | $ 12.8 | $ (0.2) | $ (24.4) | $ (4.6) | $ 10.0 |

[a] Non-cash utilization relates to approximately $3.5 million of lease termination liabilities related to certain exited office space that were adjusted following the implementation of ASC 842. See Note 5, "Property, Plant, and Equipment," for additional information.
[b] Consists primarily of the Company's other individually and collectively immaterial restructuring initiatives, including those in Denmark, Norway and Sweden.

As of December 31, 2020 and 2019, all of the restructuring reserve balances were included within accrued expenses and other current liabilities in the Company's Consolidated Balance Sheets.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

## 3. INVENTORIES

The Company's net inventory balances consisted of the following:

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Finished goods | $ 356.7 | $ 326.5 |
| Raw materials and supplies | 97.1 | 110.4 |
| Work-in-process | 8.8 | 11.5 |
| | $ 462.6 | $ 448.4 |

## 4. PREPAID EXPENSES AND OTHER

The Company's prepaid expenses and other balances were as follows:

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Prepaid expenses | $ 66.7 | $ 68.9 |
| Taxes [a] | 36.1 | 40.4 |
| Other | 31.6 | 26.0 |
| | $ 134.4 | $ 135.3 |

[a] Taxes for Products Corporation as of December 31, 2020 and December 31, 2019 were $32.1 million and $36.5 million, respectively.

## 5. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment, net balances consisted of the following:

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Land and improvements | $ 11.4 | $ 10.8 |
| Building and improvements | 48.3 | 51.6 |
| Machinery and equipment | 98.7 | 114.7 |
| Office furniture, fixtures and capitalized software | 76.2 | 100.3 |
| Leasehold improvements | 21.3 | 24.5 |
| Construction-in-progress | 9.1 | 14.0 |
| Right-of-Use assets | 87.0 | 92.7 |
| Property, plant and equipment and Right-of-Use assets, net | $ 352.0 | $ 408.6 |

Depreciation and amortization expense on property, plant and equipment and right-of-use assets for December 31, 2020 and December 31, 2019 was $76.3 million and $86.4 million, respectively. Accumulated depreciation and amortization was $528.9 million and $488.1 million as of December 31, 2020 and December 31, 2019, respectively.

***Leases***

The Company leases facilities for executive offices, warehousing, research and development and sales operations and leases various types of equipment under operating and finance lease agreements. The majority of the Company’s real estate leases, in terms of total undiscounted payments, are located in the U.S.

At the effective date of January 1, 2019, the Company adopted ASU No. 2016-02 using a modified retrospective approach applying the standard’s transition provisions provided by such ASU. Refer to Note 1, "Description of Business and Summary of Significant Accounting Policies," in the 2019 Form 10-K for additional information regarding the Company's adoption of ASU No. 2016-02.

***Impairment Considerations***

During the first, second and third quarter of 2020, as a result of COVID-19's impact on the Company's operations, the Company considered whether indicators of impairment existed for its Property, Plant and Equipment ("PP&E"), including its Right-of-Use ("ROU") assets consisting of the Company's leases as described above. The Company also considered whether indicators of impairment on its PP&E existed as of December 31, 2020.

In accordance with ASC Topic 360, "Property, Plant and Equipment," for purposes of recognition and measurement of an impairment loss, long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. An impairment loss is recognized only if the carrying amount of a long-lived asset and/or asset group is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset and/or asset group is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the long-lived asset and/or asset group and the impairment loss is measured as the amount by which the carrying amount of a long-lived asset and/or asset group exceeds its fair value. In performing such review, the Company considers several indicators of impairment, including, among other factors, the following: (i) whether there exists any significant adverse change in the extent or manner in which a long-lived asset and/or asset group is being used; (ii) whether there exists any projection or forecast demonstrating losses associated with the use of a long-lived asset and/or asset group; and (iii) whether there exists a current expectation that, more likely than not, a long-lived asset and/or asset group will be sold or otherwise disposed of significantly before the end of its previously-estimated useful life.

Following its interim assessments during 2020, as well as its year-end assessment as of December 31, 2020, the Company concluded that the carrying amounts of its PP&E, including its lease ROU assets, were not impaired as of December 31, 2020.

The following table includes disclosure related to the ASC 842 lease standard for the periods presented, after application of the applicable practical expedients and short-term lease considerations:

| | Year Ended | |
|---|---|---|
| | December 31, 2020 | December 31, 2019 |
| **Lease Cost:** | | |
| Finance Lease Cost: | | |
| Amortization of ROU assets | $ 0.3 | $ 0.3 |
| Interest on lease liabilities | 0.1 | 0.2 |
| Operating Lease Cost | 38.9 | 41.7 |
| Total Lease Cost | $ 39.3 | $ 42.2 |
| | | |
| **Other Information:** | | |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from finance leases | 0.1 | 0.2 |
| Operating cash flows from operating leases | 36.3 | 39.4 |
| Financing cash flows from finance leases | 0.2 | 0.8 |

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| ROU assets for finance leases | 0.6 | 1.0 |
| ROU assets for operating leases | 86.3 | 91.4 |
| Accumulated amortization on ROU assets for finance leases | 0.6 | 0.3 |
| Accumulated amortization on ROU assets for operating leases | 39.9 | 23.2 |
| | | |
| Weighted-average remaining lease term - finance leases | 2.1 years | 2.8 years |
| Weighted-average remaining lease term - operating leases | 6.5 years | 6.2 years |
| | | |
| Weighted-average discount rate - finance leases | 15.0 % | 15.6 % |
| Weighted-average discount rate - operating leases | 15.8 % | 15.8 % |

Maturities of lease liabilities as of December 31, 2020 were as follows:

| | Operating Leases | Finance Leases |
|---|---|---|
| 2021 | $ 36.5 | $ 0.5 |
| 2022 | 27.7 | 0.3 |
| 2023 | 22.9 | — |
| 2024 | 18.8 | — |
| 2025 | 13.7 | — |
| Thereafter | 52.7 | — |
| Total undiscounted cash flows | $ 172.3 | $ 0.8 |
| | | |
| **Present value:** | | |
| Short-term lease liability | $ 16.3 | $ 0.3 |
| Long-term lease liability | 86.6 | 0.3 |
| Total lease liability | $ 102.9 | $ 0.6 |
| Difference between undiscounted cash flows and discounted cash flows | $ 69.4 | $ 0.2 |

## 6. GOODWILL AND INTANGIBLE ASSETS, NET

*2020 Interim Goodwill Assessments*

As of March 31, 2020, June 30, 2020 and September 30, 2020, as a result of COVID-19's impact on the Company's operations, the Company determined that indicators of potential impairment existed requiring the Company to perform interim goodwill impairment analyses. These indicators included a deterioration in the general economic conditions, adverse developments in equity and credit markets, deterioration in some of the economic channels in which the Company's operates (especially in the mass retail channel), the recent trading values of the Company's capital stock and the corresponding decline in the Company's market capitalization and the revision of the Company's internal forecasts as a result of the ongoing and prolonged COVID-19 pandemic.

For its first and second quarter of 2020 interim assessments, the Company examined and performed quantitative interim goodwill impairment assessments for all its reporting units, namely: (i) Revlon; (ii) Elizabeth Arden Skin and Color; (iii) Elizabeth Arden Fragrances; (iv) Fragrances; (v) Mass Portfolio; and (vi) Professional Portfolio.

For the first quarter of 2020, as of March 31, 2020:

- The Company determined that it was more likely than not that the fair values of each of its: (i) Revlon; (ii) Elizabeth Arden Skin and Color; and (iii) Fragrances reporting units exceeded their respective carrying amounts for the first quarter of 2020. As of March 31, 2020, prior to the recording of any impairment charges, the Revlon, Elizabeth Arden Skin and Color and Fragrances reporting units had goodwill balances of $264.7 million, $67.4 million and $120.8 million, respectively; and
- The Company also determined that indicators of impairment existed for each of its: (i) Elizabeth Arden Fragrances; (ii) Mass Portfolio; and (iii) Professional Portfolio reporting units. Accordingly, for the three months ended March 31, 2020, the Company recognized a total of $99.8 million of non-cash goodwill impairment charges consisting of: $54.3 million and $19.6 million for the Mass Portfolio and Professional Portfolio reporting units, respectively, within the Company's Portfolio segment and $25.9 million for the Elizabeth Arden Fragrances reporting unit within the Company's Elizabeth Arden segment. Following the recognition of these non-cash goodwill impairment charges, as of March 31, 2020, the Elizabeth Arden Fragrances, Mass Portfolio and Professional Portfolio reporting units had approximately $23.5 million, nil and $97.2 million, respectively, in remaining goodwill.

For the second quarter of 2020, as of June 30, 2020:

- The Company determined that it was more likely than not that the fair values of each of its: (i) Revlon; (ii) Elizabeth Arden Skin and Color; and (iii) Fragrances reporting units exceeded their respective carrying amounts

for the second quarter of 2020. As of June 30, 2020, prior to the recording of any impairment charges, the Revlon, Elizabeth Arden Skin and Color and Fragrances reporting units had goodwill balances of $264.9 million, $67.4 million and $120.8 million, respectively; and

- Primarily due to the continued worldwide effects of the ongoing and prolonged COVID-19 pandemic, the Company also determined that indicators of impairment existed for each of its: (i) Elizabeth Arden Fragrances; and (ii) Professional Portfolio reporting units. Accordingly, for the three months ended June 30, 2020, the Company recognized a total of $11.2 million of non-cash goodwill impairment charges consisting of: $9.6 million for the Professional Portfolio reporting unit within the Company's Portfolio segment and $1.6 million for the Elizabeth Arden Fragrances reporting unit within the Company's Elizabeth Arden segment. Following the recognition of these non-cash goodwill impairment charges, as of June 30, 2020, the Elizabeth Arden Fragrances and Professional Portfolio reporting units had approximately $22.0 million and $87.6 million, respectively, in remaining goodwill.

For its third quarter of 2020 interim assessment, the Company, in accordance with ASC 350, performed qualitative analyses for its (i) Revlon; (ii) Elizabeth Arden Skin and Color; (iii) Elizabeth Arden Fragrances; (iv) Professional Portfolio; and (v) Fragrances reporting units. As discussed above, the Mass Portfolio reporting unit's goodwill was written down to nil during the first quarter of 2020. In performing its third quarter of 2020 qualitative interim goodwill assessment, the Company considered, among other factors, the financial performance of each of its reporting units, the Company's revised expected future cash flows as affected by the ongoing and prolonged COVID-19 pandemic, as well as the results of the second quarter of 2020 quantitative interim analysis.

For the third quarter of 2020, as of September 30, 2020:

- The Company, in accordance with ASC 350, performed qualitative analyses for its: (i) Revlon; (ii) Elizabeth Arden Skin and Color; (iii) Elizabeth Arden Fragrances; (iv) Professional Portfolio; and (v) Fragrances reporting units; and
- Based upon such assessment, the Company determined that it was more likely than not that the fair value of each of its previously mentioned reporting units exceeded their respective carrying amounts as of September 30, 2020. Consequently, no impairment changes were recognized during the three months ended September 30, 2020.

*2020 Annual Goodwill Impairment Testing*

In assessing whether goodwill was impaired in connection with its annual impairment testing performed during the fourth quarter of 2020 using October 1, 2020 carrying values, the Company, in accordance with ASC 350, performed a qualitative assessment for its Revlon reporting unit and quantitative assessments for its (i) Elizabeth Arden Skin and Color, (ii) Elizabeth Arden Fragrances, (iii) Fragrances, and (iv) Professional Portfolio reporting units (as previously noted, the Mass Portfolio reporting unit no longer has any goodwill associated with it starting from the second quarter of 2020).

In performing its 2020 annual qualitative goodwill assessment, the Company considered, among other factors, the financial performance of the Revlon reporting unit, the Company's revised expected future cash flows as affected by the ongoing and prolonged COVID-19 pandemic, as well as the results of the second quarter of 2020 quantitative interim analysis. Based upon such assessment, the Company determined that it was more likely than not that the fair value of its Revlon reporting unit exceeded its respective carrying amount for 2020.

In performing its 2020 quantitative assessments, the Company used the simplified approach allowed under ASU No. 2017-04 to test its (i) Elizabeth Arden Skin and Color, (ii) Elizabeth Arden Fragrances, (iii) Fragrances, and (iv) Professional Portfolio reporting units for impairment. Based upon such assessment, the Company determined that it was more likely than not that the fair value of each of such aforementioned reporting units exceeded their respective carrying amounts for 2020.

Consequently, no additional impairment changes were recognized during the 2020 annual impairment assessment test.

*Inputs and Assumptions Considerations*

The above-mentioned fair values were primarily determined using a weighted average market and income approach. The income approach requires several assumptions including those regarding future sales growth, EBITDA (earnings before interest, taxes, depreciation and amortization) margins, and capital expenditures, which are the basis for the information used in the discounted cash flow model. The weighted-average cost of capital used in the income approach ranged from 9.5% to 12.5%,

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with a perpetual growth rate of 2%. For the market approach, the Company considered the market comparable method based upon total enterprise value multiples of other comparable publicly-traded companies.

The key assumptions used to determine the estimated fair values of the Company's reporting units for its interim and annual assessments included the expected success of the Company's future new product launches, the Company's achievement of its expansion plans, the Company's realization of its cost reduction initiatives and other efficiency efforts, as well as certain assumptions regarding the COVID-19 pandemic's expected impact on the Company. If such plans and assumptions do not materialize as anticipated, or if there are further challenges in the business environment in which the Company's reporting units operate, a resulting change in actual results from the Company's key assumptions could have a negative impact on the estimated fair values of the reporting units, which could require the Company to recognize additional impairment charges in future reporting periods.

The inputs and assumptions utilized in the interim and annual impairment analyses are classified as Level 3 inputs in the fair value hierarchy as defined in ASC Topic 820, “Fair Value Measurements.”

The following table presents the changes in goodwill by segment for the year ended December 31, 2020:

| | Revlon | Portfolio | Elizabeth Arden | Fragrances | Total |
|---|---|---|---|---|---|
| Balance at January 1, 2019 | $ 265.0 | $ 171.2 | $ 116.9 | $ 120.8 | $ 673.9 |
| Foreign currency translation adjustment | (0.1) | (0.1) | — | — | (0.2) |
| Balance at December 31, 2019 | $ 264.9 | $ 171.1 | $ 116.9 | $ 120.8 | $ 673.7 |
| Foreign currency translation adjustment | 0.5 | 0.3 | 0.1 | 0.1 | 1.0 |
| Goodwill impairment charge | — | (83.5) | (27.5) | — | (111.0) |
| Balance at December 31, 2020 | $ 265.4 | $ 87.9 | $ 89.5 | $ 120.9 | $ 563.7 |
| | | | | | |
| Cumulative goodwill impairment charges[(a)] | | | | | $ (166.2) |

[(a)] Amount refers to cumulative goodwill impairment charges related to impairments recognized in 2015, 2017, 2018 and 2020; $111.0 million of such impairment charges were recognized during the year ended December 31, 2020.

In connection with recognizing these goodwill impairment charges during 2020, the Company recognized a tax benefit of approximately $9.2 million, since a portion of the goodwill is amortizable for tax purposes.

***Intangible Assets, Net***

*Finite-Lived Intangibles*

In accordance with ASC Topic 360, and in conjunction with the performance of its interim goodwill impairment testing for the first, second and third quarters of 2020, and its 2020 annual goodwill impairment testing, the Company reviewed its finite-lived intangible assets for impairment.

In performing such reviews, the Company makes judgments about the recoverability of its purchased finite-lived intangible assets whenever events or changes in circumstances indicate that an impairment to its finite-lived intangible assets may exist. The Company also considers several indicators of impairment, including, among other factors, the following: (i) whether there exists any significant adverse change in the extent or manner in which a long-lived asset and/or asset group is being used; (ii) whether there exists any projection or forecast demonstrating losses associated with the use of a long-lived asset and/or asset group; and (iii) whether there exists a current expectation that, more likely than not, a long-lived asset and/or asset group will be sold or otherwise disposed of significantly before the end of its previously-estimated useful life. The carrying amount of a finite-lived intangible asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the finite-lived intangible asset and/or asset group and the impairment loss is measured as the amount by which the carrying amount of the finite-lived intangible asset exceeds its fair value. No impairment charges were recognized related to the carrying value of any of the Company's finite-lived intangible assets as a result of the first, second and third quarters of 2020 interim impairment assessments and of the 2020 annual impairment testing.

*Indefinite-Lived Intangibles*

In connection with the interim goodwill impairment assessment for the first and second quarters of 2020, the Company also quantitatively reviewed indefinite-lived intangible assets, consisting of certain trade names, using March 31, 2020 and June 30, 2020 carrying values, respectively, similar to goodwill, in accordance with ASC Topic 350.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

As a result of COVID-19's impact on the Company's operations and on the expected future cash flows of certain asset groups, the quantitative interim assessments of indefinite-lived intangible assets in the first and second quarters of 2020 resulted in the recognition of:

- $24.5 million of total non-cash impairment charges related to certain indefinite-lived intangible assets within the Company's Mass Portfolio, Elizabeth Arden Fragrances and Elizabeth Arden Skin and Color reporting units in the first quarter of 2020; and
- $8.6 million of total non-cash impairment charges related to certain indefinite-lived intangible assets within the Company's Elizabeth Arden Fragrances and Elizabeth Arden Skin and Color reporting units in the second quarter of 2020.

For the third and fourth quarter of 2020, in accordance with the approaches followed for the third quarter interim goodwill assessment and for the 2020 annual goodwill impairment testing, the Company performed qualitative and quantitative assessments, respectively, of its indefinite-lived intangible assets considering, among other factors, the financial performance of certain asset groups within its reporting units, the Company's revised, expected future cash flows (also as affected by COVID-19), as well as the results of the second quarter of 2020 quantitative interim analysis of indefinite-lived intangibles. No impairment charges were recognized related to the carrying value of any of the Company's indefinite-lived intangible assets as a result of these impairment assessments. Consequently, total non-cash impairment charges recorded on the Company's indefinite-lived intangible assets were $33.1 million during the year ended December 31, 2020.

*Inputs and Assumptions Considerations*

The fair values of the Company's intangible assets were determined based on the undiscounted cash flows method for its finite-lived intangibles and based on the relief from royalty method for its indefinite-lived intangibles, respectively. The inputs and assumptions utilized in the impairment analyses are classified as Level 3 inputs in the fair value hierarchy as defined in ASC Topic 820, "Fair Value Measurements." These impairment charges were included as a separate component of operating income within the "Impairment charges" caption on the face of the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020. A summary of such impairment charges by segments is included in the following table:

| | Year Ended December 31, 2020 | | | | |
|---|---|---|---|---|---|
| | Revlon | Portfolio | Elizabeth Arden | Fragrances | Total |
| Indefinite-lived intangible assets | $ — | $ (2.5) | $ (30.6) | $ — | $ (33.1) |
| Total Intangibles Impairment | $ — | $ (2.5) | $ (30.6) | $ — | $ (33.1) |

In connection with recognizing these intangible assets impairment charges for the year ended December 31, 2020, the Company recognized a tax benefit of approximately $6.9 million.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following tables present details of the Company's total intangible assets as of December 31, 2020 and December 31, 2019:

| | December 31, 2020 | | | | |
|---|---|---|---|---|---|
| | Gross Carrying Amount | Accumulated Amortization | Impairment | Net Carrying Amount | Weighted-Average Useful Life (in Years) |
| ***Finite-lived intangible assets:*** | | | | | |
| Trademarks and licenses | $ 272.8 | $ (128.6) | $ — | $ 144.2 | 12 |
| Customer relationships | 249.9 | (110.7) | — | 139.2 | 11 |
| Patents and internally-developed intellectual property | 23.6 | (15.6) | — | 8.0 | 5 |
| Distribution rights | 31.0 | (7.5) | — | 23.5 | 14 |
| Other | 1.3 | (1.3) | — | — | 0 |
| Total finite-lived intangible assets | $ 578.6 | $ (263.7) | $ — | $ 314.9 | |
| ***Indefinite-lived intangible assets:*** | | | | | |
| Trade names | $ 149.0 | N/A | $ (33.1) | $ 115.9 | |
| Total indefinite-lived intangible assets | $ 149.0 | N/A | $ (33.1) | $ 115.9 | |
| Total intangible assets | $ 727.6 | $ (263.7) | $ (33.1) | $ 430.8 | |

| | December 31, 2019 | | | | |
|---|---|---|---|---|---|
| | Gross Carrying Amount | Accumulated Amortization | Impairment | Net Carrying Amount | Weighted-Average Useful Life (in Years) |
| ***Finite-lived intangible assets:*** | | | | | |
| Trademarks and licenses | $ 271.2 | $ (110.9) | $ — | $ 160.3 | 13 |
| Customer relationships | 248.3 | (96.5) | — | 151.8 | 11 |
| Patents and internally-developed intellectual property | 21.5 | (12.1) | — | 9.4 | 5 |
| Distribution rights | 31.0 | (5.6) | — | 25.4 | 15 |
| Other | 1.3 | (1.3) | — | — | 0 |
| Total finite-lived intangible assets | $ 573.3 | $ (226.4) | $ — | $ 346.9 | |
| ***Indefinite-lived intangible assets:*** | | | | | |
| Trade names | $ 143.8 | N/A | $ — | $ 143.8 | |
| Total indefinite-lived intangible assets | $ 143.8 | N/A | $ — | $ 143.8 | |
| Total intangible assets | $ 717.1 | $ (226.4) | $ — | $ 490.7 | |

Amortization expense for finite-lived intangible assets was $34.2 million and $40.3 million for the year ended December 31, 2020 and 2019, respectively. The variance with the previous comparable year was attributable primarily to the accelerated amortization of the **Pure Ice** intangible assets during 2019 as a result of the revision of the brand’s intangible assets useful lives following the termination of a business relationship with the brand's principal customer.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following table reflects the estimated future amortization expense for each period presented, a portion of which is subject to exchange rate fluctuations, for the Company's finite-lived intangible assets as of December 31, 2020:

| | Estimated Amortization Expense |
|---|---|
| 2021 | $ 33.5 |
| 2022 | 32.6 |
| 2023 | 31.0 |
| 2024 | 27.6 |
| 2025 | 26.4 |
| Thereafter | 163.8 |
| Total | $ 314.9 |

## 7. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

The Company's accrued expenses and other current liabilities consisted of the following:

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| Sales returns and allowances | $ 95.5 | $ 89.7 |
| Advertising, marketing and promotional costs | 96.3 | 82.8 |
| Taxes [(a)] | 41.8 | 54.3 |
| Compensation and related benefits | 50.1 | 42.1 |
| Interest | 29.6 | 34.0 |
| Professional services and insurance | 18.6 | 16.3 |
| Short-term lease liability | 16.6 | 14.5 |
| Freight and distribution costs | 9.5 | 13.2 |
| Restructuring reserve | 13.8 | 10.0 |
| Software | 3.1 | 4.0 |
| Other [(b)] | 46.0 | 54.0 |
| Total | $ 420.9 | $ 414.9 |

[(a)] Accrued Taxes for Products Corporation as of December 31, 2020 and December 31, 2019 were $44.8 million and $57.6 million, respectively.
[(b)] Accrued Other as of December 31, 2019 includes approximately $2.3 million of severance to Mr. Fabian Garcia, the Company's former President and Chief Executive Officer, which was paid in 2020.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

## 8. DEBT

The table below details the Company's debt balances. See also Note 21, "Subsequent Events," for recent debt activity updates.

| | December 31, 2020 | December 31, 2019 |
|---|---|---|
| 2020 New BrandCo Second-Lien Term Loans due 2025 [a] | $ 75.0 | $ — |
| 2020 New ABL FILO Term Loans due 2023 [a] | 50.0 | — |
| 2020 Troubled-debt-restructuring: future interest [a] | 57.8 | — |
| 5.75% Senior Notes due 2021, net of debt issuance costs [a] / [d] | — | 498.1 |
| 2020 BrandCo Term Loan Facility due 2025, net of debt issuance costs [b] | 1,644.8 | — |
| 2016 Term Loan Facility: 2016 Term Loan due 2023 and 2025, net of discounts and debt issuance costs [c] | 874.8 | 1,713.6 |
| 2019 Term Loan Facility due 2023, net of discounts and debt issuance costs [e] | — | 187.1 |
| 2018 Foreign Asset-Based Term Facility due 2021, net of discounts and debt issuance costs [f] | 57.7 | 82.3 |
| Amended 2016 Revolving Credit Facility due 2021, net of debt issuance costs [g] | 136.7 | 269.9 |
| 6.25% Senior Notes due 2024, net of debt issuance costs [h] | 425.4 | 442.8 |
| Spanish Government Loan due 2025 | 0.3 | 0.4 |
| Debt | $ 3,322.5 | $ 3,194.2 |
| Less current portion[*] | (217.5) | (288.0) |
| Long-term debt | $ 3,105.0 | $ 2,906.2 |
| | | |
| Short-term borrowings [**] | $ 2.5 | $ 2.2 |

[*] At December 31, 2020, the Company classified $217.5 million as its current portion of long-term debt, comprised primarily of $136.7 million of net borrowings under the Amended 2016 Revolving Credit Facility, net of debt issuance costs, $57.7 million of the 2018 Foreign Asset-Based Term Facility due July 9, 2021, net of debt issuance costs and debt discount, $13.7 million of payments under the 2020 BrandCo Term Loan Facility due within one year and $9.2 million of payments on the 2016 Term Loan Facility due within one year. At December 31, 2019, the Company classified $288.0 million as its current portion of long-term debt, comprised primarily of $269.9 million of net borrowings under the Amended 2016 Revolving Credit Facility, net of debt issuance costs, and $18.0 million of payments on the 2016 Term Loan Facility. See below in this Note 8, "Debt," and Note 21, "Subsequent Events," for details regarding the Company's recent debt-related transactions.

[**] The weighted average interest rate on these short-term borrowings outstanding at December 31, 2020 and 2019 was 11.7% and 8.3%, respectively.

**Current Year Debt Transactions**

***[a] 5.75% Senior Notes Exchange Offer***

On November 13, 2020, Products Corporation completed its previously-announced offer to exchange (as amended, the “Exchange Offer”) any and all of the then-outstanding $342.8 million aggregate principal amount of its 5.75% Senior Notes scheduled to mature on February 15, 2021 (see hereinafter under "Previous Year Debt Related Transaction" for more details on the 5.75% Senior Notes), on terms set forth in the amended and restated Offering Memorandum and Consent Solicitation Statement dated October 23, 2020. Concurrently with the Exchange Offer, Products Corporation solicited consents (the “Consent Solicitation”) to adopt certain proposed amendments to the indenture governing the 5.75% Senior Notes, dated as of February 13, 2013, among Products Corporation, the guarantors party thereto and U.S. Bank National Association (the “5.75% Senior Notes Indenture”) to eliminate substantially all of the restricted covenants and certain events of default provisions from the 5.75% Senior Notes Indenture. The Exchange Offer and Consent Solicitation expired at 11:59 p.m., New York City time, on November 10, 2020 (the “Expiration Time”).

For each $1,000 principal amount of 5.75% Senior Notes validly tendered before the Expiration Time, holders received either, at their option, (i) $275 in cash (plus a $50 early tender/consent fee payable for an aggregate of $325 in cash, or (ii) if the holder was an Eligible Holder (as hereinafter defined), a combination of (1) $200 in cash (plus a $50 early tender/consent fee, for an aggregate of $250 in cash, plus, (2) (A) the Per $1,000 Pro Rata Share (as hereinafter defined) of $50 million in aggregate principal amount of new 2020 ABL FILO Term Loans (as hereinafter defined) and (B) the Per $1,000 Pro Rata Share of $75 million in aggregate principal amount of the New BrandCo Second-Lien Term Loans (as hereinafter defined) (the “Mixed Consideration”).

At the Expiration Time, $236 million in aggregate principal amount of 5.75% Senior Notes, representing 68.8% of the total outstanding principal amount of the 5.75% Senior Notes, was validly tendered and not validly withdrawn. On November 13, 2020, immediately after Products Corporation accepted for exchange the 5.75% Senior Notes that were validly tendered and made payment therefore, Products Corporation used cash on hand to redeem, effective as of November 13, 2020, the remaining $106.8 million in aggregate principal amount of 5.75% Senior Notes pursuant to the terms of the 5.75% Senior Notes Indenture. Following the consummation of the Exchange Offer and the satisfaction and full discharge of the 5.75% Senior Notes, no 5.75% Senior Notes remained outstanding. Accrued and unpaid interest on the 5.75% Senior Notes that were tendered in the Exchange Offer was paid to, but not including, the settlement date of the Exchange Offer.

The 2020 ABL FILO Term Loans are new “Tranche B” term loans in the aggregate principal amount of $50 million, ranking junior in right of payment to the “Tranche A” revolving loans under the Amended 2016 Revolving Credit Agreement (as hereinafter defined) and equal in right of payment with all existing and future unsubordinated indebtedness of Products Corporation and the guarantors under the Amended 2016 Revolving Credit Agreement (such new Tranche B term loans, the “2020 ABL FILO Term Loans”). The 2020 ABL FILO Term Loans will mature the earlier of December 15, 2023 and six months after the maturity date of the Tranche A Loans (and any extension thereof in part or in whole). The 2020 ABL FILO Term Loans bear interest at a rate of LIBOR (subject to a 1.75% floor) plus 8.50% per annum, accruing from the settlement date of the Exchange Offer. The borrowing base for the 2020 ABL FILO Term Loans consists of an advance rate of 100% of eligible collateral with a customary push down reserve, with collateral consisting of: (i) a first-priority lien on accounts receivable, inventory, cash, negotiable instruments, chattel paper, investment property (other than capital stock), equipment and real property of Products Corporation and the subsidiary guarantors, subject to customary exceptions (the “Priority Collateral”); and (ii) a second-priority lien on substantially all tangible and intangible personal property of Products Corporation and the subsidiary guarantors, subject to customary exclusions (other than the Priority Collateral).

The New BrandCo Second Lien Term Loans issued pursuant to the Exchange Offer are “Term B-2 Loans” in the aggregate principal amount of $75 million (ranking junior to the Term B-1 Loans and senior to the Term B-3 Loans with respect to liens on certain specified collateral) under the 2020 BrandCo Term Loan Facility (such Term B-2 Loans, the “New BrandCo Second-Lien Term Loans”).

The Exchange Offer with respect to the tendering holders represented a Troubled Debt Restructuring ("TDR") in accordance with ASC 470, Debt, as both criteria for a TDR where met, namely: (i) the creditors granted a concession, and (ii) the Company was experiencing financial difficulties. Since the expected future undiscounted cash flows under the New 2020 ABL FILO Term Loan and the New BrandCo Second-Lien Term Loans exchanged in the transaction are higher than the net carrying value of the original 5.75% Senior Notes remaining after any partial cash settlement (once prior loans with same lenders have also been considered, as applicable), no gain was recorded and a new effective interest rate was established based on the revised cash flows and the remaining net carrying value of the original 5.75% Senior Notes.

Following the closing of the Exchange Offer, as of December 31, 2020, the following aggregate principal amounts are outstanding:

- $50.0 million of New 2020 ABL FILO Term Loans; and
- $75.0 million of New BrandCo Second-Lien Term Loans.

Following the applicability of the TDR guidance and based on a net carrying value of the original 5.75% Senior Notes of approximately $175.5 million remaining after partial cash settlements, future interest payments of approximately $50.5 million were also included in the carrying value of the restructured debt as of the day of closing of the Exchange Offer. Additionally, to the amounts stated above, $17.5 million of New BrandCo Second-Lien Term Loans was added following the recognition of Paid-In-Kind ("PIK") consent fees that were earned by the lenders on the day of closing of the Exchange Offer, (which are amortized over the term of the restructured debt agreements), in accordance with the BrandCo TSA as defined further below in this Note 8, "Debt", within "Subsequent Amendments to the 2020 BrandCo Term Loan Facility".

In accordance with the aforementioned TDR guidance, fees and expenses incurred to third parties in connection with consummating the Exchange Offer of approximately $13.8 million were expensed as professional fees within SG&A on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

***(b) 2020 BrandCo Refinancing Transactions***

On May 7, 2020 (the “BrandCo 2020 Facilities Closing Date”), Products Corporation entered into a term credit agreement (the “2020 BrandCo Credit Agreement”) with Jefferies Finance LLC, as administrative agent and collateral agent, and certain financial institutions (the “2020 Facilities Lenders”) that are lenders or the affiliates of lenders under Products Corporation’s

Term Loan Credit Agreement, dated as of September 7, 2016 and amended on April 30, 2020 and as amended on the BrandCo 2020 Facilities Closing Date, as further described below (as amended to date, the “2016 Term Loan Facility”) and the Amended 2016 Revolving Credit Facility, collectively referred to as the "2016 Senior Credit Facilities"). Pursuant to the 2020 BrandCo Credit Agreement, the 2020 Facilities Lenders provided Products Corporation with new and roll-up senior secured term loan facilities (the “2020 BrandCo Facilities” and, collectively, the "2020 BrandCo Term Loan Facility" and, together with the use of proceeds thereof and the Extension Amendment, the “2020 BrandCo Refinancing Transactions”).

*Principal and Maturity:* The 2020 BrandCo Facilities consist of: (i) a senior secured term loan facility in an aggregate principal amount outstanding on the BrandCo 2020 Facilities Closing Date of $815.0 million, plus the amount of certain fees and accrued interest that have been capitalized (the “2020 BrandCo Facility”); (ii) commitments in respect of a senior secured term loan facility in an aggregate principal amount of $950 million (the “Roll-up BrandCo Facility”); and (iii) a senior secured term loan facility in an aggregate principal amount outstanding on the BrandCo 2020 Facilities Closing Date of $3.0 million (the “Junior Roll-up BrandCo Facility”). Additionally, on May 28, 2020, Products Corporation borrowed from the 2020 Facilities Lenders an additional $65.0 million of term loans under the 2020 BrandCo Facility to repay in full the 2020 Incremental Facility under the 2016 Term Loan Facility, as a result of which the 2020 BrandCo Facility at June 30, 2020 had an aggregate principal amount outstanding of $910.6 million (including paid-in-kind closing fees of $29.1 million and paid-in-kind interest of $1.5 million that were capitalized). Additionally, during 2020, certain lenders under the 2016 Term Loan Facility, representing $846.0 million in aggregate principal outstanding, rolled-up to the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility, as a result of which the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility at September 30, 2020 had an aggregate principal amount outstanding of $846.0 million. The Company determined that the roll-up of such 2016 Term Loan Facility lenders into the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility represented a debt modification under U.S. GAAP, as the cash flow effect between the amount that Products Corporation owed to the participating lenders under the old debt instrument (i.e., the 2016 Term Loan Facility) and the amount that Products Corporation owed to such lenders after the consummation of the roll-up into the new debt instrument (i.e., the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility) on a present value basis was less than 10% and, thus, the debt instruments were not considered to be substantially different within the meaning of ASC 470, Debt, under U.S. GAAP.

The proceeds of the 2020 BrandCo Facility were used: (i) to repay in full approximately $200 million of indebtedness outstanding under Products Corporation’s 2019 Term Loan Facility; (ii) to repay in full and terminate commitments under the 2020 Incremental Facility; and (iii) to pay fees and expenses in connection with the 2020 BrandCo Facilities and the 2020 BrandCo Refinancing Transactions. The Company will use the remaining net proceeds for general corporate purposes. The proceeds of the Roll-up BrandCo Facility are available prior to the third anniversary of the BrandCo 2020 Facilities Closing Date to purchase at par an equivalent amount of any remaining term loans under the 2016 Term Loan Facility held by the lenders participating in the 2020 BrandCo Facility or their transferees. During the three months ended June 30, 2020 and the three months ended September 30, 2020, certain lenders under the 2016 Term Loan Facility due June 2023, representing $846.0 million in aggregate principal outstanding, rolled-up to the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility due June 2025, as a result of which the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility at September 30, 2020 have an aggregate principal amount outstanding of $846.0 million, with a remaining capacity for the roll-up of loans under the 2016 Term Loan Facility of $107.0 million. See “Subsequent Amendments to the 2020 BrandCo Term Loan Facility” regarding the Supporting BrandCo Lenders subsequently relinquishing certain Roll-up Rights and Products Corporation’s issuance of the BrandCo Support and Consent Consideration.

The 2020 BrandCo Facilities will mature on June 30, 2025, subject to a springing maturity 91 days prior to the August 1, 2024 maturity date of Products Corporation’s 6.25% Senior Notes if, on such date, $100 million or more in aggregate principal amount of the 6.25% Senior Notes remain outstanding.

The Company incurred approximately $119.3 million of new debt issuance costs in connection with closing the 2020 BrandCo Facility, which include paid-in kind amounts that are recorded as an adjustment to the carrying amount of the related liability and amortized to interest expense in accordance with the effective interest method over the term of the 2020 BrandCo Facilities.

*Borrower, Guarantees and Security:* Products Corporation is the borrower under the 2020 BrandCo Facilities and the 2020 BrandCo Facilities are guaranteed by certain of Products Corporation's indirect subsidiaries (the “BrandCos”) that hold certain intellectual property assets related to the Elizabeth Arden and American Crew brands, certain other Portfolio segment brands and certain owned Fragrance segment brands (the “Specified Brand Assets”). While the BrandCos do not guarantee the 2016 Term Loan Facility, all guarantors of the 2016 Term Loan Facility guarantee the 2020 BrandCo Facilities. All of the assets of the BrandCos (including all capital stock issued by the BrandCos) have been pledged to secure the 2020 BrandCo Facility on a first-priority basis, the Roll-up BrandCo Facility on a second-priority basis and the Junior Roll-up BrandCo Facility on a third-

priority basis and while such assets do not secure the 2016 Term Loan Facility, the 2020 BrandCo Facilities are secured on a pari passu basis by the assets securing the 2016 Term Loan Facility.

*Contribution and License Agreements:* In connection with the pledge of the Specified Brand Assets, Products Corporation and certain of its subsidiaries contributed the Specified Brand Assets to the BrandCos. Products Corporation entered into license and royalty arrangements on arm's length terms with the relevant BrandCos to provide for the continued use of the Specified Brand Assets by Products Corporation and its subsidiaries during the term of the 2020 BrandCo Facilities.

*Interest and Fees:* Loans under the 2020 BrandCo Facility bear interest at a rate equal to LIBOR (with a LIBOR floor of 1.50%) plus (x) 10.50% per annum, payable not less than quarterly in arrears in cash and (y) 2.00% per annum payable not less than quarterly in-kind by adding such amount to the principal amount of outstanding loans under the 2020 BrandCo Facility. Loans under the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility bear interest at a rate equal to LIBOR (with a LIBOR floor of 0.75%) plus 3.50% per annum, payable not less than quarterly in arrears in cash.

*Affirmative and Negative Covenants*: The 2020 BrandCo Facilities contain certain affirmative and negative covenants that, among other things, limit Products Corporation's and its restricted subsidiaries' ability to: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated, unsecured or junior lien debt; (vii) enter into certain transactions with their affiliates; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The 2020 BrandCo Facilities also restrict distributions and other payments from the BrandCos based on certain minimum thresholds of net sales with respect to the Specified Brand Assets. The 2020 BrandCo Facilities also contain certain customary representations, warranties and events of default, including a cross default provision making it an event of default under the 2020 BrandCo Credit Agreement if there is an event of default under Products Corporation's existing 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement or the indentures governing the 6.25% Senior Notes Indenture. The lenders under the 2020 BrandCo Credit Agreement may declare all outstanding loans under the 2020 BrandCo Facilities to be due and payable immediately upon an event of default. Under such circumstances, the lenders under the 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement, and the holders under the Senior Notes Indentures may also declare all outstanding amounts under such instruments to be due and payable immediately as a result of similar cross default or cross acceleration provisions, subject to certain exceptions and limitations described in the relevant instruments.

*Prepayments*: The 2020 BrandCo Facilities are subject to certain mandatory prepayments, including from the net proceeds from the issuance of certain additional debt and asset sale proceeds of certain non-ordinary course asset sales or other dispositions of property, subject to certain exceptions. The 2020 BrandCo Facilities may be repaid at any time, subject to customary prepayment premiums.

The aggregate principal amount outstanding under the 2020 BrandCo Term Loan Facility at December 31, 2020 was $1,868.4 million, including $846.0 million of principal rolled-up from the 2016 Term Loan Facility to the Roll-up BrandCo Facility and the Junior Roll-up BrandCo Facility.

*Subsequent Amendments to the 2020 BrandCo Term Loan Facility*

Prior to consummating the Exchange Offer Products Corporation and certain lenders under the 2020 BrandCo Term Loan Facility, representing more than a majority in aggregate principal amount of loans thereunder (the "Supporting BrandCo Lenders"), entered into a Transaction Support Agreement (the "BrandCo TSA") under which the Supporting BrandCo Lenders agreed to take certain actions to facilitate the Exchange Offer and Consent Solicitation, including, among other things:

- Relinquishing certain rights of such Supporting BrandCo Lenders to "roll-up" loans held by such Supporting BrandCo Lenders under the 2016 Term Loan Facility into New BrandCo Second-Lien Term Loans under the 2020 BrandCo Term Loan Facility (the "Roll-up Rights");
- Tendering any then-existing 5.75% Senior Notes held by such Supporting BrandCo Lenders into the Exchange Offer and Consent Solicitation;
- Consenting to amendments to the 2020 BrandCo Term Loan Facility to permit the exchange of then-existing 5.75% Senior Notes for the New BrandCo Second-Lien Term Loans under the 2020 BrandCo Term Loan Facility as contemplated by the Offering Memorandum and the payment of the BrandCo Support and Consent Consideration (as hereinafter defined);
- Consenting to other amendments to the 2020 BrandCo Term Loan Facility and the Amended 2016 Revolving Credit Facility to permit the Exchange Offer and Consent Solicitation to be completed as contemplated by the Offering Memorandum; and

- Supporting and cooperating with Products Corporation to consummate the transactions contemplated by the BrandCo TSA and the Offering Memorandum, including the Exchange Offer and Consent Solicitation.

In connection with such amendments, Products Corporation agreed to provide the following consideration (collectively, the "BrandCo Support and Consent Consideration") upon the successful consummation of the Exchange Offer:

1. $12.5 million aggregate principal amount of New BrandCo Second-Lien Term Loans as a fee to the Supporting BrandCo Lenders under the BrandCo TSA in connection with such Supporting BrandCo Lenders' relinquishment of their Roll-up Rights;
2. $10.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans to one of the Supporting BrandCo Lenders in exchange for $18.7 million aggregate principal amount of Products Corporation's 6.25% Senior Notes held by such Supporting BrandCo Lender; and
3. to all lenders under the 2020 BrandCo Term Loan Facility (including the Supporting BrandCo Lenders), an amendment fee that was payable pro rata based on principal amount of loans consenting, consisting of, at Products Corporation's option, either (x) an aggregate of $2.5 million of cash or (y) $5.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans. Pursuant to the BrandCo Amendment, Products Corporation elected to pay this fee in-kind in the form of $5.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans.

Upon the successful closing of the Exchange Offer, the Company capitalized the aforementioned paid-in-kind closing fees of $12.5 million and $5.0 million to the aggregate principal amount of New BrandCo Second-Lien Term Loans issued in connection with the Exchange Offer.

Upon the successful closing of the Exchange Offer, the Company evaluated the aforementioned $10.0 million of New BrandCo Second-Lien Term Loans issued to one of the Supporting BrandCo Lenders in exchange for $18.7 million aggregate principal amount of Products Corporation's 6.25% Senior Notes due 2024 held by such Supporting BrandCo Lender and determined that it represented a TDR in accordance with ASC 470, Debt, as both criteria for a TDR where met, namely: (i) the creditors granted a concession, and (ii) the Company was experiencing financial difficulties. Since the expected future undiscounted cash flows under the New BrandCo Second-Lien Term Loans exchanged in the transaction are higher than the net carrying value of the original 6.25% Senior Notes held by this lender (once prior loans with the same lender have also been considered), no gain was recorded and a new effective interest rate was established based on the revised cash flows and the net carrying value of the above-mentioned 6.25% Senior Notes that were exchanged in the transaction. Following the applicability of the TDR guidance, future interest payments of $8.7 million as of the day of closing of the Exchange Offer were also included in the carrying value of the restructured debt.

On November 13, 2020, Products Corporation entered into that certain Amendment No. 1 (the "BrandCo Amendment") to the 2020 BrandCo Credit Agreement in connection with the Exchange Offer in order to, among other things, provide for the incurrence of $75 million in aggregate principal amount of New BrandCo Second-Lien Term Loans (exclusive of the BrandCo Support and Consent Consideration). The New BrandCo Second Lien Term Loans are a separate tranche of "Term B-2 Loans" (ranking junior to the Term B-1 Loans and senior to the Term B-3 Loans with respect to liens on certain specified collateral) under the BrandCo Credit Agreement. Except as to the use of proceeds, the terms of the New BrandCo Second-Lien Term Loans are substantially consistent with the other Term B-2 Loans. In connection with the BrandCo Amendment, Products Corporation paid certain fees to the lenders in-kind in the form of New BrandCo Second-Lien Term Loans in accordance with the BrandCo TSA.

***(c) 2016 Term Loan Facility Extension Amendment***

In connection with the closing of the 2020 BrandCo Facility on May 7, 2020, term loan lenders under the 2016 Term Loan Facility were offered the opportunity to participate at par in the 2020 BrandCo Facilities based on their holdings of term loans under the 2016 Term Loan Facility. Lenders participating in the 2020 BrandCo Facilities, as well as other consenting lenders representing, in the aggregate, a majority of the loans and commitments under the 2016 Term Loan Facility, consented to an amendment to the 2016 Term Loan Facility (the "Extension Amendment") that, among other things, made certain modifications to the covenants thereof and extended the maturity date of certain consenting lenders' term loans ("Extended Term Loans") to June 30, 2025, subject to (i) the same September 7, 2023 springing maturity date of the non-extended term loans under the 2016 Term Loan Facility if, on such date, $75 million or more in aggregate principal amount of the non-extended term loans under the 2016 Term Loan Facility remains outstanding, and (ii) a springing maturity of 91 days prior to the August 1, 2024 maturity date of the 6.25% Senior Notes if, on such date, $100 million or more in aggregate principal amount of the 6.25% Senior Notes remains outstanding. The Extension Amendment became effective on the BrandCo 2020 Facilities Closing Date. As of December 31, 2020, approximately $30.6 million in aggregate principal amount of Extended Term Loans were outstanding after giving effect to the 2020 BrandCo Refinancing Transactions. The Extended Term Loans bear interest at a rate of LIBOR (with a LIBOR floor of 0.75%) plus 3.50% per annum, payable not less than quarterly in arrears in cash, consistent with the

interest rate applicable to the non-extended term loans. Approximately $17.0 million of accrued interest outstanding on the 2016 Term Loan Facility was paid on the BrandCo 2020 Facilities Closing Date. As a result of such transaction, as of December 31, 2020, $853.3 million of the 2016 Term Loan Facility is scheduled to mature on the Original Maturity Date and $30.6 million is scheduled to mature on the Extended Maturity Date and, thus, the aggregate principal amount outstanding under the 2016 Term Loan Facility at December 31, 2020 was $883.9 million.

***(d) Repurchases of 5.75% Senior Notes due 2021***

On May 7, 2020, Products Corporation used a portion of the proceeds from the 2020 BrandCo Facility to repurchase and subsequently cancel $50 million in aggregate principal face amount of its 5.75% Senior Notes. Products Corporation also paid approximately $0.7 million of accrued interest outstanding on the 5.75% Senior Notes on May 7, 2020. After the BrandCo 2020 Facilities Closing Date, Products Corporation repurchased and subsequently canceled in July 2020 a further $62.8 million in aggregate principal face amount of its 5.75% Senior Notes. Furthermore, during the remainder of the year ended December 31, 2020, Products Corporation repurchased and subsequently canceled an additional $44.4 million in aggregate principal face amount of its 5.75% Senior Notes. Accordingly, as of December 31, 2020, Products Corporation had repurchased and subsequently cancelled a total of approximately $157.2 million in aggregate principal face amount of its 5.75% Senior Notes, resulting in a gain on extinguishment of debt of approximately $43.1 million for the year ended December 31, 2020, which was recorded within "Gain on early extinguishment of debt" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020. See hereinafter for more information regarding Products Corporation's 5.75% Senior Notes and the related Exchange Offer. Following the consummation of the Exchange Offer and the satisfaction and full discharge of the remaining 5.75% Senior Notes, no 5.75% Senior Notes remain outstanding as of December 31, 2020.

***(e) Prepayment of the 2019 Term Loan Facility due 2023***

On the BrandCo 2020 Facilities Closing Date, Products Corporation used a portion of the proceeds from the 2020 BrandCo Facility to fully prepay the entire principal amount outstanding under its 2019 Term Loan Facility, totaling $200 million, plus approximately $1.3 million of accrued interest outstanding thereon, as well as approximately $33.5 million in prepayment premiums, $10.3 million in lenders' fees, $0.3 million in legal fees and approximately $2.0 million in other third party fees. As the lenders under the 2019 Term Loan Facility participated in the 2020 BrandCo Term Loan Facility, the Company determined that the full repayment of the 2019 Term Loan Facility represented a debt modification under U.S. GAAP as the cash flow effect between the old debt instrument (i.e., the 2019 Term Loan Facility) and the new debt instrument (i.e., the 2020 BrandCo Facility) on a present value basis was less than 10% and, thus, the debt instruments were not considered to be substantially different within the meaning of ASC 470, Debt, under U.S. GAAP. Accordingly, the $33.5 million of prepayment premiums, as well as the $10.3 million in other lenders' fees were capitalized as part of the aforementioned $119.3 million of total new debt issuance costs for the 2020 BrandCo Term Loan Facility, while the aforementioned $0.3 million of legal fees and $2.0 million in other third party fees were expensed as incurred in the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

***(f) Amendment to the 2018 Foreign Asset-Based Term Facility***

On May 4, 2020, the Company entered into an amendment to the 2018 Foreign Asset Based Term Facility, which had an original outstanding principal amount of €77 million. Such amendment provided for the following:

- increasing the interest rate on the loan from EURIBOR (with a floor 0.50%) plus a margin of 6.50% to EURIBOR (with a floor 0.50%) plus a margin of 7.00%;
- amending the percentages applied in computing the borrowing base from 85% to 78.75% for eligible accounts receivable and from 90% to 80% against the net orderly liquidation value of eligible inventory;
- adding a springing maturity date of 91 days prior to the February 15, 2021 maturity of the 5.75% Senior Notes if any of Products Corporation's 5.75% Senior Notes remained outstanding on such date;
- requiring a mandatory prepayment of €5.0 million; and
- clarifying certain terms and waiving certain provisions in connection with the 2020 BrandCo Refinancing Transactions.

Approximately $0.4 million of amendment fees paid to the lenders under 2018 Foreign Asset-Based Term Facility were capitalized and are amortized to interest expense, together with any unamortized debt issuance costs outstanding prior to the amendment. The 2018 Foreign Asset-Based Term Facility was a euro-denominated senior secured asset-based term loan facility that various, mostly foreign subsidiaries of Products Corporation entered into on July 9, 2018 and which was scheduled to mature on July 9, 2021. As of December 31, 2020, there was the Euro equivalent of $59.2 million aggregate principal

outstanding under the 2018 Foreign Asset-Based Term Facility, reflecting a repayment of €28.5 million made during the quarter ended June 30, 2020.

***(g) Amendments to the 2016 Revolving Credit Facility Agreement***

On October 23, 2020 (the "Amendment No. 5 Effective Date"), Products Corporation entered into Amendment No. 5 ("Amendment No. 5") to its Asset-Based Revolving Credit Agreement, dated as of September 7, 2016 (as amended from time to time, the "Amended 2016 Revolving Credit Facility", and the revolving credit facility thereunder, the "Amended 2016 Revolving Credit Facility"; the Amended 2016 Revolving Credit Agreement, together with the 2016 Credit Agreement, the "2016 Credit Agreements").

The Amendment No. 5 amended and restated the Amended 2016 Revolving Credit Agreement to add a new Tranche B consisting of $50 million aggregate principal amount of "first-in, last-out" Tranche B term loans (such new Tranche B, the "2020 ABL FILO Term Loan Facility"). The Amendment No. 5 also required Products Corporation to maintain "Excess Availability" (as defined in Amendment No. 5) of at least $85 million from the Amendment No. 5 Effective Date until the transactions contemplated by the Exchange Offer were consummated (such date, the "Exchange Offer Effective Date"). As a result, on October 23, 2020, Products Corporation repaid $35 million of Tranche A loans under the Amended 2016 Revolving Credit Agreement.

On the Exchange Offer Effective Date, Products Corporation's As-Adjusted Liquidity was required to be at least $175 million (which condition was satisfied) and Products Corporation could not hold more than $100 million in cash or Cash Equivalents (as defined in the 5th Amendment). Furthermore, the 5th Amendment provided that a $30 million reserve will be automatically and immediately established against the Tranche A Borrowing Base (as defined in the 5th Amendment) if the results of ongoing appraisals and field exams were not delivered to the administrative agent prior to the occurrence of certain specified defaults.

Products Corporation paid customary fees to Alter Domus (US) LLC as the administrative agent for the 2020 ABL FILO Term Loan Facility. Except as to maturity date, interest, borrowing base and differences due to their nature as term loans, the terms of the 2020 ABL FILO Term Loans are otherwise substantially consistent with the Tranche A Revolving Loans.

On May 7, 2020, in connection with consummating the 2020 BrandCo Refinancing Transactions, Products Corporation entered into Amendment No. 4 to (the "Amendment No. 4") to the 2016 Revolving Credit Facility. Amendment No. 4, among other things, made certain amendments and provided for certain waivers relating to the 2020 BrandCo Refinancing Transactions under the 2016 Revolving Credit Facility. In exchange for such amendments and waivers, the interest rate margin applicable to loans under Tranche A of the 2016 Revolving Credit Facility increased by 0.75%. In connection with the amendments to the 2018 Tranche B of the 2016 Revolving Credit Facility (which was fully repaid on its May 17, 2020 extended maturity date), Products Corporation incurred approximately $1.1 million in lender's fees that upon its full repayment were entirely expensed within "Miscellaneous, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss as of December 31, 2020.

On April 17, 2020 (the "FILO Closing Date"), Products Corporation entered into Amendment No. 3 to the 2016 Revolving Credit Facility ("Amendment No. 3"), pursuant to which, the maturity date applicable to $36.3 million of loans under the $41.5 million senior secured first in, last out 2018 Tranche B under the 2016 Revolving Credit Facility (the "2018 FILO Tranche") was extended from April 17, 2020 to May 17, 2020 (the "Amendment No. 3 Extended Maturity Date"). Products Corporation repaid the remaining approximately $5.2 million of the 2018 FILO Tranche loans as of the FILO Closing Date. In addition, Amendment No. 3 increased the applicable interest margin for the 2018 FILO Tranche by 0.75%, subject to a LIBOR floor of 0.75%. Products Corporation fully repaid the 2018 FILO Tranche on the Amendment No. 3 Extended Maturity Date.

Total borrowings at face amount under Tranche A and Tranche B of the Amended 2016 Revolving Credit Facility at December 31, 2020 were $138.9 million and $50 million, respectively.

***(h) 6.25% Senior Notes***

See "Previous Years' Debt Related Transactions" below.

**Other 2020 Debt Related Transactions**

***MacAndrews & Forbes 2020 Restated Line of Credit Facility***

In light of the upcoming maturity on July 9, 2021 of the 2018 Foreign Asset-Based Term Facility (as hereinafter defined) and the expiration on December 31, 2020 of the Amended 2019 Senior Line of Credit Facility (see "Previous Years' Debt Related Transaction" for further details about the Amended 2019 Senior Line of Credit Agreement), the Company sought to refinance or extend both the 2018 Foreign Asset-Based Term Facility and the Amended 2019 Senior Line of Credit Facility. Products Corporation sought to do so in order to reinforce its liquidity position to be better able to address the current business and economic environment and prepare for any further potential disruptions to its business and operations as may be brought on by the ongoing COVID-19 pandemic or other events.

As a result, and anticipating a future refinancing of the 2018 Foreign Asset-Based Term Facility (a “Future Refinanced European ABL Facility”), on September 28, 2020, Products Corporation and MacAndrews & Forbes Group, LLC (“M&F”) entered into the Second Amended and Restated 2019 Senior Unsecured Line of Credit Facility (the “2020 Restated Line of Credit Facility”), which amended and restated the Amended 2019 Senior Line of Credit Facility and will provide Products Corporation with up to a $30 million tranche of a new facility of the 2018 Foreign Asset-Based Term Facility (the “New European ABL FILO Facility”) that would be secured on a “last-out” basis by the same collateral as the 2018 Foreign Asset-Based Term Facility or, if no Future Refinanced European ABL Facility is obtained, a stand-alone $30 million credit facility secured by the same collateral as the 2018 Foreign Asset-Based Term Facility when that facility is terminated, in each case, subject to a borrowing base. As of December 31, 2020, there were no borrowings outstanding under the 2020 Restated Line of Credit Facility, and the 2020 Restated Line of Credit Facility terminated on such date. M&F’s commitment in respect of the New European ABL FILO Facility survived the termination of the 2020 Restated Line of Credit Facility and, if not used, would have terminated on July 9, 2021.

The New European ABL FILO Facility would mature on (x) the maturity date of any such Future Refinanced European ABL Facility or (y) if there is no Future Refinanced European ABL Facility, July 9, 2022. To the extent the Future Refinanced European ABL Facility exceeds $35.0 million in principal amount, the amount available under the New European ABL FILO Facility would decrease on a dollar-for-dollar basis, such that, if Products Corporation were able to obtain a Future Refinanced ABL Facility of $65.0 million from third parties, there would be no amounts available under the New European ABL FILO Facility. The interest rate for the New European ABL FILO Facility will be LIBOR plus 10.00%. The covenants for the New European ABL FILO Facility would be substantially the same as those applicable to the 2018 European ABL Facility.

Upon the closing of the 2021 Asset-Based Term Facility on March 2, 2021 without the participation of M&F as a lender, M&F’s commitment in respect of the New European ABL FILO Facility under the 2020 Restated Line of Credit Facility terminated in accordance with its terms (see Note 21, “Subsequent Events,” to the Company's Consolidated Financial Statements).

***Incremental Revolving Credit Facility under the 2016 Term Loan Agreement***

On April 30, 2020, Products Corporation entered into a Joinder Agreement (the “2020 Joinder Agreement”), with Revlon, certain of their subsidiaries and certain existing lenders (the “Incremental Lenders”) under Products Corporation’s 2016 Term Loan Agreement (the “2016 Term Loan Agreement”) to provide for a $65 million incremental revolving credit facility (the “2020 Incremental Facility”). On the closing of the 2020 Incremental Facility, Products Corporation borrowed $63.5 million of revolving loans for working capital purposes and subsequently on May 11, 2020 Products Corporation also borrowed the additional $1.5 million of delayed funding revolving loans. Prior to its full repayment on May 28, 2020, amounts outstanding under the 2020 Incremental Facility bore interest at a rate of (x) LIBOR plus 16% or (y) an Alternate Base Rate plus 15%, at Products Corporation’s option. Except as to pricing, maturity and differences due to its revolving nature, the terms of the 2020 Incremental Facility were otherwise substantially consistent with the existing term loans under the 2016 Term Loan Facility. On May 28, 2020, the 2020 Incremental Facility was repaid in full, and the commitments thereunder terminated. Upon such repayment, approximately $2.9 million of upfront commitment fees that Products Corporation incurred in connection with consummating the 2020 Incremental Facility were entirely expensed within "Miscellaneous, net" on the Company's Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

**Previous Years' Debt Related Transactions**

***2019 Term Loan Facility***

In August 2019, Products Corporation entered into a senior secured term loan facility among certain affiliated funds, investment vehicles or accounts managed or advised by Ares Management LLC, as lender, in an initial aggregate principal amount of $200 million (the “2019 Term Loan Facility” and such agreement being the “2019 Term Loan Agreement”), and Wilmington Trust, National Association (“Wilmington Trust”), as administrative and collateral agent.

On the BrandCo 2020 Facilities Closing Date, Products Corporation used a portion of the proceeds from the 2020 BrandCo Facility to fully prepay the entire principal amount outstanding under its 2019 Term Loan Facility, totaling $200 million, plus approximately $1.3 million of accrued interest outstanding thereon, as well as approximately $33.5 million in prepayment premiums, $10.3 million in lenders’ fees, $0.3 million in legal fees and approximately $2.0 million in other third party fees. As the lenders under the 2019 Term Loan Facility participated in the 2020 BrandCo Term Loan Facility, the Company determined that the full repayment of the 2019 Term Loan Facility represented a debt modification under U.S. GAAP as the cash flow effect between the old debt instrument (i.e., the 2019 Term Loan Facility) and the new debt instrument (i.e., the 2020 BrandCo Facility) on a present value basis was less than 10% and, thus, the debt instruments were not considered to be substantially different within the meaning of ASC 470, Debt, under U.S. GAAP. Accordingly, the $33.5 million of prepayment premiums, as well as the $10.3 million in other lenders' fees were capitalized as part of the aforementioned $119.3 million of total new debt issuance costs for the 2020 BrandCo Term Loan Facility, while the aforementioned $0.3 million of legal fees and $2.0 million in other third party fees were expensed as incurred in the Company's Unaudited Consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2020.

***2019 Senior Line of Credit Facility Agreement***

The 2019 Senior Unsecured Line of Credit Agreement was obtained in June 2019 from MacAndrews & Forbes Group, LLC, and provides Products Corporation with a $30 million senior unsecured line of credit, which facility allowed Products Corporation to request loans thereunder and to use the proceeds of such loans for working capital and other general corporate purposes until the facility matured. In November 2019, Products Corporation and MacAndrews & Forbes Group, LLC entered into the Amended and Restated 2019 Senior Unsecured Line of Credit Agreement (the “Amended 2019 Senior Line of Credit Agreement”) to extend the maturity of such facility by 1-year, expiring December 31, 2020 (the "Amended 2019 Senior Line of Credit Facility"). As of December 31, 2019 and as of the November 7, 2019 extension date, there were no borrowings outstanding or repayments under the Amended 2019 Senior Line of Credit Facility. Any loans outstanding under the Amended 2019 Senior Line of Credit Facility would bear interest at an annual rate of 8%, payable quarterly in arrears in cash. Products Corporation may, at its option, prepay any borrowings under the Amended 2019 Senior Line of Credit Facility, in whole or in part (together with accrued and unpaid interest), at any time prior to maturity, without premium or penalty. Products Corporation was required to repay any outstanding loans under the Amended 2019 Senior Line of Credit Facility, together with accrued interest thereon, if for any reason Products Corporation or any of its subsidiaries had available unrestricted cash that Products Corporation determined, in its reasonable judgment, was not required to run their operations in the ordinary course of business, provided that such repayment would not result in material adverse tax consequences. The Amended 2019 Senior Line of Credit Agreement included customary events of default, including a cross default provision making it an event of default under the Amended 2019 Senior Line of Credit Agreement if there exists and continues an event default under Products Corporation’s 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement, the 2019 Term Loan Agreement or the Senior Notes Indentures. If any such event of default occurred, MacAndrews & Forbes Group, LLC could declare all outstanding loans under the Amended 2019 Senior Line of Credit Facility to be due and payable immediately.

In September 2020, Products Corporation entered into the Second Amended and Restated 2019 Senior Unsecured Line of Credit Agreement, which further amended and restated the Amended and Restated 2019 Senior Unsecured Line of Credit Agreement and subsequently terminated on December 31, 2020.

***March 2019 Amendment to the 2016 Revolving Credit Facility Agreement***

In March 2019, Products Corporation, Revlon and certain of their subsidiaries entered into Amendment No. 2 (“Amendment No. 2”) to the 2016 Revolving Credit Agreement. Pursuant to the terms of Amendment No. 2, the maturity date applicable to the $41.5 million senior secured first in, last out Tranche B of the Amended 2016 Revolving Credit Facility was extended from April 17, 2019 to April 17, 2020. The 2016 Revolving Credit Agreement provided that the “Liquidity Amount” (defined in the Amended 2016 Revolving Credit Agreement as the sum of each borrowing base less the sum of (x) the aggregate outstanding extensions of credit under the Amended 2016 Revolving Credit Facility, and (y) any availability reserve in effect on such date) may exceed the aggregate commitments under the Amended 2016 Revolving Credit Facility by up to 5%. Amendment No. 2 limited the Liquidity Amount to no more than the aggregate commitments under the Amended 2016 Revolving Credit Facility. Under the 2016 Revolving Credit Agreement, a “Liquidity Event Period” generally occurred if Products Corporation’s Liquidity Amount fell below the greater of $35 million and 10% of the maximum availability under the 2016 Revolving Credit Facility. Amendment No. 2 changed these thresholds to $50 million and 15%, respectively, only for

purposes of triggering certain notification obligations of Products Corporation, increased borrowing base reporting frequency and the ability of the administrative agent to apply amounts collected in controlled accounts for the repayment of loans under the Amended 2016 Revolving Credit Facility. After entering into Amendment No. 2, in March 2019 Products Corporation's availability under the Amended 2016 Revolving Credit Facility was $37.3 million, which was less than the greater of $35 million and 10% of the maximum availability under the Amended 2016 Revolving Credit Facility, which at such date equated to $41.3 million. Accordingly, effective beginning in March 2019 Products Corporation is required to maintain a FCCR of a minimum of 1.0 to 1.0 (which it currently satisfies), the administrative agent may apply amounts collected in controlled accounts for the repayment of loans under the Amended 2016 Revolving Credit Facility, which the administrative agent began applying in March 2019, and Products Corporation is required to provide the administrative agent with weekly borrowing base certificates. Products Corporation will be required to: (i) maintain such 1.0 to 1.0 minimum FCCR until such time that availability under the Amended 2016 Revolving Credit Facility equals or exceeds the greater of $35 million and 10% of the maximum availability under such facility for at least 20 consecutive business days; and (ii) Products Corporation will continue to provide the administrative agent with weekly borrowing base certificates and the administrative agent may continue to apply amounts collected in controlled accounts as set forth above in each case until such time that availability under such facility is equal or exceeds the greater of $50 million and 15% of the maximum availability under such facility for at least 20 consecutive business days. Amendment No. 2 also adjusts, among other things, the "payment conditions" required to make unlimited restricted payments.

***2018 Foreign Asset-Based Term Loan Credit Agreement***

In July 2018, Revlon Holdings B.V. (the "Dutch Borrower"), a wholly owned indirect foreign subsidiary of Products Corporation, Revlon Finance LLC, a wholly owned direct subsidiary of the Dutch Borrower (the "U.S. Co-Borrower" and, together with the Dutch Borrower, the "2018 ABTL Borrowers"), the other loan parties and guarantors party thereto, the lenders party thereto and Citibank, N.A., acting as administrative agent and collateral agent (the "2018 ABTL Agent"), entered into an Asset-Based Term Loan Credit Agreement (the "2018 Foreign Asset-Based Term Facility" and the "2018 Foreign Asset-Based Term Agreement," respectively) and related guarantee and security agreements.

*Principal and Maturity*: The 2018 Foreign Asset-Based Term Facility provides for a euro-denominated senior secured asset-based term loan facility in an aggregate principal amount of €77 million, the full amount of which was funded on the closing of the facility in July 2018. The 2018 Foreign Asset-Based Term Facility has an uncommitted incremental facility pursuant to which it may be increased from time to time by up to €43 million, subject to certain conditions and the agreement of the lenders providing such increase. The proceeds of the loans under the 2018 Foreign Asset-Based Term Facility were used for working capital and other general corporate purposes. The 2018 Foreign Asset-Based Term Facility matures on July 9, 2021.

The 2018 Foreign Asset-Based Term Agreement requires the maintenance of a borrowing base supporting the borrowing thereunder, to be evidenced with the delivery of monthly borrowing base certificates customary for facilities of this type, with more frequent reporting required upon the triggering of certain events. The borrowing base calculation under the 2018 Foreign Asset-Based Term Facility is based on the sum of: (i) 85% of eligible accounts receivable; and (ii) 90% of the net orderly liquidation value of eligible inventory, in each case with respect to certain of Products Corporation's subsidiaries organized in Australia, Bermuda, Germany, Italy, Spain and Switzerland (the "2018 ABTL Borrowing Base Guarantors" and, together with the 2018 ABTL Borrowers, the "2018 ABTL Loan Parties"). The borrowing bases in each jurisdiction are subject to certain customary availability reserves set by the Agent.

*Guarantees and Security*: The 2018 Foreign Asset-Based Term Facility is guaranteed by the 2018 ABTL Borrowing Base Guarantors, as well as by the direct parent entities of each Borrowing Base Guarantor (not including Revlon or Products Corporation) on a limited recourse basis (the "2018 ABTL Parent Guarantors"). The obligations of the 2018 ABTL Loan Parties and the 2018 ABTL Parent Guarantors under the 2018 Foreign Asset-Based Term Facility are secured by first-ranking pledges of the equity of each 2018 ABTL Loan Party, the inventory and accounts receivable of the 2018 ABTL Borrowing Base Guarantors, the material bank accounts of each 2018 ABTL Loan Party, the material intercompany indebtedness owing to any Loan Party (including any intercompany loans made with the proceeds of the 2018 Foreign Asset-Based Term Facility) and 2018 ABTL certain other material assets of the 2018 ABTL Borrowing Base Guarantors. The 2018 Foreign Asset-Based Term Facility includes a cash dominion feature customary for transactions of this type.

*Interest and Fees*: Interest is payable on each interest payment date as set forth in the 2018 Foreign Asset-Based Term Agreement, and in any event at least quarterly, and accrues on borrowings under the 2018 Foreign Asset-Based Term Facility at a rate per annum equal to the EURIBOR rate, with a floor of 0.50%, plus an applicable margin equal to 6.50%. The Borrowers are obligated to pay certain fees and expenses in connection with the 2018 Foreign Asset-Based Term Facility, including a fee payable to Citibank, N.A. for its services as 2018 ABTL Agent. Loans under the 2018 Foreign Asset-Based Term Facility may be prepaid without premium or penalty.

*Affirmative and Negative Covenants*: The 2018 Foreign Asset-Based Term Agreement contains certain affirmative and negative covenants that, among other things, limit the 2018 ABTL Loan Parties' ability to, subject to various exceptions and qualifications: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated or junior lien debt; (vii) enter into certain transactions with their affiliates, including amending certain material intercompany agreements or trade terms; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The 2018 ABTL Parent Guarantors are subject to certain customary holding company covenants. The ability of the 2018 ABTL Loan Parties to make certain intercompany asset sales, investments, restricted payments and prepayments of intercompany debt is contingent on certain "cash movement conditions" or "payment conditions" being met, which among other things, require a certain level of liquidity for the applicable 2018 ABTL Loan Party to effect such type of transactions. The 2018 Foreign Asset-Based Term Agreement also contains certain customary representations, warranties and events of default.

*Prepayments*: The 2018 ABTL Borrowers must prepay loans under the 2018 Foreign Asset-Based Term Facility to the extent that outstanding loans exceed the borrowing base. In lieu of a mandatory prepayment, the 2018 ABTL Loan Parties may deposit cash in an amount not to exceed 10% of the borrowing base into a designated U.S. bank account with the 2018 ABTL Agent that is subject to a control agreement (such cash, the "Qualified Cash"). If any such over-advance has not been cured within 60 days, the Qualified Cash may be applied, at the 2018 ABTL's Agent's option, to prepay the loans under the 2018 Foreign Asset-Based Term Facility. To the extent certain levels of availability are obtained during a certain period of time, the 2018 ABTL Borrowers can withdraw the Qualified Cash from such bank account. In addition, the 2018 Foreign Asset-Based Term Facility is subject to mandatory prepayments from the net proceeds from the incurrence by the 2018 ABTL Loan Parties of debt not permitted thereunder.

During 2018, the Company incurred approximately $5.7 million of fees and expenses in connection with consummating the 2018 Foreign Asset-Based Term Agreement, which were capitalized and are being amortized over the remaining term of the 2018 Foreign Asset-Based Term Facility using the effective interest method. As of December 31, 2020, there was the Euro equivalent of $59.2 million aggregate principal outstanding under the 2018 Foreign Asset-Based Term Facility, reflecting a repayment of €28.5 million made during the quarter ended June 30, 2020.

The 2018 Foreign Asset Based Term Facility was subsequently refinanced and replaced in its entirety by the 2021 Foreign Asset-Based Term Facility. See Note 21, "Subsequent Events," to the Company's Consolidated Financial Statements in this Form 10-K.

***2016 Term Loan Facility***

*Principal and Maturity:* On the Elizabeth Arden Acquisition Date, Products Corporation entered into the 2016 Term Loan Agreement, for which Citibank, N.A. acts as administrative and collateral agent and which has an initial aggregate principal amount of $1.8 billion and matures on September 7, 2023. The loans under the 2016 Term Loan Facility were borrowed at an original issue discount of 0.5% to their principal amount. The 2016 Term Loan Facility may be increased by an amount equal to the sum of (x) the greater of $450 million and 90% of Products Corporation's pro forma consolidated EBITDA, plus (y) an unlimited amount to the extent that (1) the first lien leverage ratio (defined as the ratio of Products Corporation's net senior secured funded debt that is not junior or subordinated to the liens of the Senior Facilities to EBITDA) is less than or equal to 3.5 to 1.0 (for debt secured pari passu with the 2016 Term Loan Facility) or (2) the secured leverage ratio (defined as the ratio of Products Corporation's net senior secured funded debt to EBITDA) is less than or equal to 4.25 to 1.0 (for junior lien or unsecured debt), plus (z) up to an additional $400 million if the 2016 Revolving Credit Facility has been repaid and terminated. The aggregate principal amount outstanding under the 2016 Term Loan Facility at December 31, 2020 was $883.9 million.

*Guarantees and Security*: Products Corporation and the restricted subsidiaries under the 2016 Term Loan Facility, which include Products Corporation's subsidiaries, including Elizabeth Arden and its subsidiaries (collectively, the "Restricted Group"), are subject to the covenants under the 2016 Term Loan Agreement. The 2016 Term Loan Facility is guaranteed by each of Products Corporation's existing and future direct or indirect wholly-owned domestic restricted subsidiaries (subject to various exceptions), certain foreign subsidiaries, as well as by Revlon, on a limited recourse basis. The obligations of Revlon, Products Corporation and the subsidiary guarantors under the 2016 Term Loan Facility are secured by pledges of the equity of Products Corporation held by Revlon and the equity of the Restricted Group held by Products Corporation and each subsidiary guarantor (subject to certain exceptions, including equity of first-tier foreign subsidiaries in excess of 65% of the voting equity interests of such entity) and by substantially all tangible and intangible personal and real property of Products Corporation and the subsidiary guarantors (subject to certain exclusions). The obligors and guarantors under the 2016 Term Loan Facility and the Amended 2016 Revolving Credit Facility are identical. The liens securing the 2016 Term Loan Facility on the accounts, inventory, equipment, chattel paper, documents, instruments, deposit accounts, real estate and investment property and general intangibles (other than intellectual property) related thereto (the "Revolving Facility Collateral") rank second in priority to the

liens thereon securing the Amended 2016 Revolving Credit Facility. The liens securing the 2016 Term Loan Facility on all other property, including capital stock, intellectual property and certain other intangible property (the "Term Loan Collateral"), rank first in priority to the liens thereon securing the Amended 2016 Revolving Credit Facility, while the liens thereon securing the Amended 2016 Revolving Credit Facility rank second in priority to the liens thereon securing the 2016 Term Loan Facility.

*Interest and Fees*: Interest accrues on term loans under the 2016 Term Loan Facility at a rate per annum of adjusted LIBOR (which has a floor of 0.75%) plus a margin of 3.5% or an alternate base rate plus a margin of 2.5%, at Products Corporation's option, and is payable quarterly, at a minimum. Products Corporation is obligated to pay certain fees and expenses in connection with the 2016 Term Loan Facility.

*Affirmative and Negative Covenants*: The 2016 Term Loan Agreement contains certain affirmative and negative covenants that, among other things, limit the Restricted Group's ability to: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated or junior lien debt; (vii) enter into certain transactions with their affiliates; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The negative covenants are subject to various exceptions, including an "available amount basket" based on 50% of Products Corporation's cumulative consolidated net income, plus a "starter" basket of $200 million, subject to Products Corporation's compliance with a 5.0 to 1.0 ratio of Products Corporation's net debt to Consolidated EBITDA (as defined in the 2016 Term Loan Agreement), except such compliance is not required when such baskets are used to make investments. While the 2016 Term Loan Agreement contains certain customary representations, warranties and events of default, it does not contain any financial maintenance covenants.

*Incremental Revolving Credit Facility under the 2016 Term Loan Agreement:* On April 30, 2020, Products Corporation entered into the 2020 Joinder Agreement, with Revlon, certain of their subsidiaries and the Incremental Lenders under the 2016 Term Loan Agreement to provide for the 2020 Incremental Facility. On the closing of the 2020 Incremental Facility, Products Corporation borrowed $63.5 million of revolving loans for working capital purposes and subsequently on May 11, 2020 Products Corporation also borrowed the additional $1.5 million of delayed funding revolving loans. On May 28, 2020, the 2020 Incremental Facility was repaid in full, and the commitments thereunder terminated.

*2016 Term Loan Facility Extension Amendment*: In connection with the 2020 BrandCo Refinancing Transactions, term loan lenders under the 2016 Term Loan Facility were offered the opportunity to participate at par in the 2020 BrandCo Facilities based on their holdings of term loans under the 2016 Term Loan Facility. Lenders participating in the 2020 BrandCo Facilities, as well as other consenting lenders representing, in the aggregate, a majority of the loans and commitments under the 2016 Term Loan Facility, consented to the Extension Amendment, which, among other things, made certain modifications to the covenants thereof and extended the maturity date of certain consenting lenders' term loans to June 30, 2025, subject to (i) the same September 7, 2023 springing maturity date of the non-extended term loans under the 2016 Term Loan Facility if, on such date, $75 million or more in aggregate principal amount of the non-extended term loans under the 2016 Term Loan Facility remains outstanding, and (ii) a springing maturity of 91 days prior to the August 1, 2024 maturity date of the 6.25% Senior Notes if, on such date, $100 million or more in aggregate principal amount of the 6.25% Senior Notes remains outstanding. The Extension Amendment became effective on the BrandCo 2020 Facilities Closing Date. As of December 31, 2020, approximately $30.6 million in aggregate principal amount of Extended Term Loans were outstanding after giving effect to the 2020 BrandCo Refinancing Transactions. The Extended Term Loans bear interest at a rate of LIBOR (with a LIBOR floor of 0.75%) plus 3.50% per annum, payable not less than quarterly in arrears in cash, consistent with the interest rate applicable to the non-extended term loans. Approximately $17.0 million of accrued interest outstanding on the 2016 Term Loan Facility was paid on the BrandCo 2020 Facilities Closing Date. The aggregate principal amount of non-extended term loans under the 2016 Term Loan Facility as of December 31, 2020 was approximately $853.3 million.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

***6.25% Senior Notes***

In August 2016, Revlon Escrow Corporation (the "Escrow Issuer"), which was a wholly owned subsidiary of Products Corporation, completed the 6.25% Senior Notes offering, pursuant to an exemption from registration under the Securities Act of 1933 (as amended, the "Securities Act"), of $450 million aggregate principal amount of the 6.25% Senior Notes due 2024. The 6.25% Senior Notes are unsecured and were initially issued by the Escrow Issuer to the initial purchasers under an Indenture, dated as of August 4, 2016 (the "6.25% Senior Notes Indenture"), between the Escrow Issuer and U.S. Bank National Association, as trustee (the "6.25% Senior Notes Trustee"). The 6.25% Senior Notes mature on August 1, 2024. Interest on the 6.25% Senior Notes accrues at 6.25% per annum, paid every six months through maturity on each February 1 and August 1. The proceeds from the 6.25% Senior Notes were released from escrow on the September 7, 2016 The Elizabeth Arden Acquisition Date (the "Escrow Release"). On the Elizabeth Arden Acquisition Date, the Escrow Issuer was merged with and into Products Corporation and in connection with the Escrow Release, Products Corporation and certain of its direct and indirect wholly-owned domestic subsidiaries, including Elizabeth Arden and certain of its subsidiaries (collectively, the "6.25% Senior Notes Guarantors"), and the 6.25% Senior Notes Trustee entered into a supplemental indenture (the "6.25% Senior Notes Supplemental Indenture") to the 6.25% Senior Notes Indenture, pursuant to which Products Corporation assumed the obligations of the Escrow Issuer under the 6.25% Senior Notes and the 6.25% Senior Notes Indenture and the 6.25% Senior Notes Guarantors jointly and severally, fully and unconditionally guaranteed the 6.25% Senior Notes on a senior unsecured basis (the "6.25% Senior Notes Guarantees"). The 6.25% Senior Notes Guarantors are the same entities that are subsidiary guarantors under the 2016 Senior Credit Facilities.

In December 2016, Products Corporation consummated an offer to exchange the original 6.25% Senior Notes for $450 million of new 6.25% Senior Notes, which have substantially the same terms as the original 6.25% Senior Notes, except that they are registered under the Securities Act (such registered new notes being the "6.25% Senior Notes").

*Ranking*: The 6.25% Senior Notes are Products Corporation’s senior, unsubordinated and unsecured obligations, ranking: (i) pari passu in right of payment with all of Products Corporation’s existing and future senior unsecured indebtedness; (ii) senior in right of payment to all of Products Corporation’s and the 6.25% Senior Notes Guarantors’ future subordinated indebtedness; and (iii) effectively junior to all of Products Corporation’s and the 6.25% Senior Notes Guarantors’ existing and future senior secured indebtedness, including indebtedness under Products Corporation’s 2016 Senior Credit Facilities and the 2019 Term Loan Facility, to the extent of the value of the assets securing such indebtedness. The 6.25% Senior Notes and the 6.25% Senior Notes Guarantees are: (i) structurally subordinated to all of the liabilities and preferred stock of any of the Company’s subsidiaries that do not guarantee the 6.25% Senior Notes; and (ii) pari passu in right of payment with liabilities of the 6.25% Senior Notes Guarantors other than expressly subordinated indebtedness. The 6.25% Senior Notes and the 6.25% Senior Notes Guarantees rank effectively junior to indebtedness and preferred stock of Products Corporation’s foreign and immaterial subsidiaries (including the 2018 Foreign Asset-Based Term Facility) (the "6.25% Senior Notes Non-Guarantor Subsidiaries"), none of which guarantee the 6.25% Senior Notes.

*Optional Redemption*: Products Corporation may redeem the 6.25% Senior Notes at its option, at any time as a whole, or from time to time in part, at the following redemption prices (expressed as percentages of principal amount), plus accrued interest to (but not including) the date of redemption, if redeemed during the 12-month period beginning on August 1 of the years indicated below:

| Period | Optimal Redemption Premium Percentage |
|---|---|
| 2020 | 103.125 % |
| 2021 | 101.563 % |
| 2022 and thereafter | 100.000 % |

All redemptions (and notices thereof) may be subject to various conditions precedent, and redemption dates specified in such notices may be extended so that such conditions precedent may be fulfilled (to the extent redemption on such dates is otherwise permitted by the 6.25% Senior Notes Indenture).

*Change of Control*: Upon the occurrence of specified change of control events, Products Corporation is required to make an offer to purchase all of the 6.25% Senior Notes at a purchase price of 101% of the outstanding principal amount of the 6.25% Senior Notes as of the date of any such repurchase, plus accrued and unpaid interest to (but not including) the date of repurchase.

*Certain Covenants*: The 6.25% Senior Notes Indenture imposes certain limitations on Products Corporation’s and the 6.25% Senior Notes Guarantors’ ability, and the ability of certain other subsidiaries, to: (i) incur or guarantee additional indebtedness or issue preferred stock; (ii) pay dividends, make certain investments and make repayments on indebtedness that is

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

subordinated in right of payment to the 6.25% Senior Notes and make other "restricted payments"; (iii) create liens on their assets to secure debt; (iv) enter into transactions with affiliates; (v) merge, consolidate or amalgamate with another company; (vi) transfer and sell assets; and (vii) permit restrictions on the payment of dividends by Products Corporation's subsidiaries.

These covenants are subject to important qualifications and exceptions. The 6.25% Senior Notes Indenture also contains customary affirmative covenants and events of default. In addition, if during any period of time the 6.25% Senior Notes receive investment grade ratings from both Standard & Poor's and Moody's Investors Services, Inc. and no default or event of default has occurred and is continuing under the 6.25% Senior Notes Indenture, Products Corporation and its subsidiaries will not be subject to the covenants regarding limitations on debt, limitations on restricted payments, limitation on guarantees by restricted subsidiaries, limitation on transactions with affiliates, certain provisions of the successor company covenant, limitation on asset sales and limitation on dividends from restricted subsidiaries.

Under the BrandCo TSA, Supporting BrandCo Lenders agreed to take certain actions to facilitate the Exchange Offer and Consent Solicitation, including, among other things: (i) consenting to amendments to the 2020 BrandCo Term Loan Facility to permit the exchange of Existing 5.75% Senior Notes for, among other things, the New BrandCo Second-Lien Term Loans under the 2020 BrandCo Term Loan Facility as contemplated by the Offering Memorandum and the payment of the BrandCo Support and Consent Consideration and (ii) consenting to other amendments to the 2020 BrandCo Term Loan Facility and the Amended 2016 Revolving Credit Facility to permit the Exchange Offer and Consent Solicitation to be completed as contemplated by the Offering Memorandum. In connection with such amendments, Products Corporation agreed to provide, among other things, $10.0 million aggregate principal amount of New BrandCo Second-Lien Term Loans to one of the Supporting BrandCo Lenders in exchange for $18.7 million aggregate principal amount of Products Corporation's 6.25% Senior Notes held by such Supporting BrandCo Lender as consideration upon the successful consummation of the Exchange Offer: The aggregate principal amount outstanding under the 6.25% Senior Notes at December 31, 2020 was $431.3 million.

***Covenants***

Products Corporation was in compliance with all applicable covenants under the 2020 BrandCo Credit Agreement, 2016 Credit Agreements, the 2018 Foreign Asset-Based Term Agreement, the 2020 Restated Line of Credit Facility, as well as with all applicable covenants under its 6.25% Senior Notes Indenture, in each case as of December 31, 2020. At December 31, 2020, the aggregate principal amounts outstanding and availability under Products Corporation's various revolving credit facilities were as follows:

| | Commitment | Borrowing Base | Aggregate principal amount outstanding at December 31, 2020 | Availability at December 31, 2020 [a] |
|---|---|---|---|---|
| Amended 2016 Revolving Credit Facility | $ 400.0 | $ 356.9 | $ 188.9 | $ 168.0 |
| 2020 Restated Line of Credit Facility | $ 30.0 | N/A | $ — | $ — |

[a] Availability as of December 31, 2020 is based upon the borrowing base then in effect under the Amended 2016 Revolving Credit Facility of $356.9 million, less $188.9 million then drawn consisting of $138.9 million Tranche A revolving loans and $50 million of 2020 ABL FILO Term Loans. As Products Corporation's consolidated fixed charge coverage ratio was greater than 1.0 to 1.0 as of December 31, 2020, all of the $168.0 million of availability under the Amended 2016 Revolving Credit Facility was available as of such date. The 2018 Tranche B under the Amended 2016 Revolving Credit Facility was fully repaid in May 2020. The revolving commitments under the 2020 Restated Line of Credit Facility were terminated on December 31, 2020.

The Company's foreign subsidiaries held $89.8 million out of the Company's total $97.1 million in cash and cash equivalents as of December 31, 2020. While the cash held by the Company's foreign subsidiaries is primarily used to fund their operations, the Company regularly assesses its global cash needs and the available sources of cash to fund these needs, which regularly includes repatriating foreign-held cash to settle historical intercompany loans and other intercompany payables.

## 9. FAIR VALUE MEASUREMENTS

Assets and liabilities are required to be categorized into three levels of fair value based upon the assumptions used to value the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3, if applicable, generally would require significant management judgment. The three levels for categorizing the fair value measurement of assets and liabilities are as follows:

- Level 1: Fair valuing the asset or liability using observable inputs, such as quoted prices in active markets for identical assets or liabilities;

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

- Level 2: Fair valuing the asset or liability using inputs other than quoted prices that are observable for the applicable asset or liability, either directly or indirectly, such as quoted prices for similar (as opposed to identical) assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active; and
- Level 3: Fair valuing the asset or liability using unobservable inputs that reflect the Company's own assumptions regarding the applicable asset or liability.

As of both December 31, 2020 and December 31, 2019, the Company did not have any financial assets and liabilities that were required to be measured at fair value.

As of December 31, 2020, the fair value and carrying value of the Company's long-term debt, including the current portion of long-term debt, are categorized in the table below:

| | December 31, 2020 | | | | |
|---|---|---|---|---|---|
| | Fair Value | | | | |
| | Level 1 | Level 2 | Level 3 | Total | Carrying Value |
| **Liabilities:** | | | | | |
| Long-term debt, including current portion[(a)] | $ — | $ 2,168.9 | $ — | $ 2,168.9 | $ 3,322.5 |

As of December 31, 2019, the fair value and carrying value of the Company's long-term debt, including the current portion of long-term debt, are categorized in the table below:

| | December 31, 2019 | | | | |
|---|---|---|---|---|---|
| | Fair Value | | | | |
| | Level 1 | Level 2 | Level 3 | Total | Carrying Value |
| **Liabilities:** | | | | | |
| Long-term debt, including current portion[(a)] | $ — | $ 2,522.2 | $ — | $ 2,522.2 | $ 3,194.2 |

[(a)] The fair value of the Company's long-term debt, including the current portion of long-term debt, is based on quoted market prices for similar issuances and maturities.

The carrying amounts of the Company's cash and cash equivalents, trade receivables, notes receivable, accounts payable and short-term borrowings approximate their respective fair values.

## 10. FINANCIAL INSTRUMENTS

***Letters of Credit***

Products Corporation maintains standby and trade letters of credit for various corporate purposes under which Products Corporation is obligated, of which $7.8 million and $11.4 million (including amounts available under credit agreements in effect at that time) were maintained as of December 31, 2020 and December 31, 2019, respectively. Included in these amounts are approximately $5.3 million and $8.3 million in standby letters of credit that primarily support Products Corporation's workers compensation, general liability and automobile insurance programs, in each case as outstanding as of December 31, 2020 and December 31, 2019, respectively. At December 31, 2020 all of the outstanding letters of credit were collateralized with a deposit of cash at the issuing financial institution. The estimated liability under such programs is accrued by Products Corporation.

## 11. PENSION AND POST-RETIREMENT BENEFITS

*Savings Plan:*

The Company offers a qualified defined contribution plan for its U.S.-based employees, the Revlon Employees' Savings, Investment and Profit Sharing Plan (as amended, the "Savings Plan"), which allows eligible participants to contribute up to 25%, and highly compensated participants to contribute up to 12%, of eligible compensation through payroll deductions, subject to certain annual dollar limitations imposed by the Internal Revenue Service (the "IRS"). The Company matches employee contributions at fifty cents for each dollar contributed up to the first 6% of eligible compensation. The Company made cash matching contributions to the Savings Plan of $1.4 million and $5.5 million during 2020 and 2019, respectively. The

Company also offers a non-qualified defined contribution plan (the "Excess Savings Plan") providing benefits for certain U.S. employees who are in excess of IRS limitations. These non-qualified defined contribution benefits are funded from the Company's general assets.

The Company's qualified and non-qualified defined contribution savings plans for its U.S.-based employees contain a discretionary profit-sharing component that enables the Company, should it elect to do so, to make discretionary profit-sharing contributions. For 2020, the Company did not make discretionary profit-sharing contributions to the Savings Plan and Excess Savings Plan. For 2019, the Company made discretionary profit-sharing contributions to the Savings Plan and Excess Savings Plan of $7.2 million (of which $5.6 million was paid in 2019 and $1.6 million was paid in January 2020), or up to 3% of eligible compensation, which was credited on a quarterly basis.

*Pension Benefits:*

In 2009, Products Corporation's U.S. qualified defined benefit pension plan (the Revlon Employees' Retirement Plan, which covered a substantial portion of the Company's employees in the U.S.) and its non-qualified pension plan (the Revlon Pension Equalization Plan) were amended to cease future benefit accruals under such plans after December 31, 2009. No additional benefits have accrued since December 31, 2009, other than interest credits on participant account balances under the cash balance program of the Company's U.S. pension plans. Also, service credits for vesting and early retirement eligibility will continue to accrue in accordance with the terms of the respective plans. In 2010, the Company amended its Canadian defined benefit pension plan (the Affiliated Revlon Companies Employment Plan) to reduce future benefit accruals under such plan after December 31, 2010. Additionally, while the Company closed its U.K. defined pension plan to new entrants in 2002, then-existing participants continue to accrue pension benefits.

Products Corporation also sponsors two U.S. qualified defined benefit pension plans, has non-qualified pension plans that provide benefits for certain U.S. and non-U.S. employees, and for U.S. employees in excess of IRS limitations in the U.S. and in certain limited cases contractual benefits for certain former officers of the Company. These non-qualified plans are funded from the Company's general assets.

*Post-retirement Benefits:*

The Company previously sponsored an unfunded retiree benefit plan, which provides death benefits payable to beneficiaries of a very limited number of former employees. Participation in this plan was limited to participants enrolled as of December 31, 1993. The Company also administers an unfunded medical insurance plan on behalf of Revlon Holdings, certain costs of which have been apportioned to Revlon Holdings under the transfer agreements among Revlon, Products Corporation and MacAndrews & Forbes. (See Note 19, "Related Party Transactions").

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following table provides an aggregate reconciliation of the projected benefit obligations, plan assets, funded status and amounts recognized in the Company's Consolidated Financial Statements related to the Company's significant pension and other post-retirement benefit plans:

| | Pension Plans | | Other Post-Retirement Benefit Plans | |
|---|---|---|---|---|
| | December 31, | | | |
| | 2020 | 2019 | 2020 | 2019 |
| Change in Benefit Obligation: | | | | |
| Benefit obligation - beginning of year | $ (629.7) | $ (591.0) | $ (13.4) | $ (12.2) |
| Service cost | (1.7) | (1.9) | — | — |
| Interest cost | (15.0) | (20.0) | (0.3) | (0.4) |
| Actuarial (loss) gain | (65.8) | (59.3) | (1.5) | (1.5) |
| Settlement and Curtailment gain | 5.5 | — | — | — |
| Benefits paid | 44.0 | 43.6 | 0.7 | 0.7 |
| Plan Amendments | 0.2 | (1.2) | — | — |
| Plan participant contributions | (0.5) | (0.6) | — | — |
| Foreign currency translation adjustments | (3.5) | 0.7 | — | — |
| Benefit obligation - end of year | $ (666.5) | $ (629.7) | $ (14.5) | $ (13.4) |
| Change in Plan Assets: | | | | |
| Fair value of plan assets - beginning of year | $ 462.4 | $ 432.4 | $ — | $ — |
| Actual return (loss) on plan assets | 35.9 | 61.3 | — | — |
| Employer contributions | 9.1 | 11.4 | 0.7 | 0.7 |
| Settlement gain | (4.1) | — | — | — |
| Benefits paid | (44.0) | (43.6) | (0.7) | (0.7) |
| Plan participant contributions | 0.5 | 0.6 | — | — |
| Foreign currency translation adjustments | 3.2 | 0.3 | — | — |
| Fair value of plan assets - end of year | $ 463.0 | $ 462.4 | $ — | $ — |
| Unfunded status of plans at December 31, 2020 | $ (203.5) | $ (167.3) | $ (14.5) | $ (13.4) |

With respect to the Company's pension plans and other post-retirement benefit plans, amounts recognized in the Company's Consolidated Balance Sheets at December 31, 2020 and 2019 consisted of the following:

| | Pension Plans | | Other Post-Retirement Benefit Plans | |
|---|---|---|---|---|
| | December 31, | | | |
| | 2020 | 2019 | 2020 | 2019 |
| Other long-term assets | $ 1.3 | $ 3.6 | $ — | $ — |
| Accrued expenses and other | (6.2) | (2.7) | (0.7) | (0.4) |
| Pension and other post-retirement benefit liabilities | (198.6) | (168.2) | (13.8) | (13.0) |
| Total liability | $ (203.5) | $ (167.3) | $ (14.5) | $ (13.4) |
| | | | | |
| Accumulated other comprehensive loss, gross | $ 307.5 | $ 266.1 | $ 5.1 | $ 4.0 |
| Income tax benefit | (50.6) | (48.7) | (0.9) | (1.0) |
| Portion allocated to Revlon Holdings | (0.8) | (0.8) | 0.2 | 0.2 |
| Accumulated other comprehensive loss, net | $ 256.1 | $ 216.6 | $ 4.4 | $ 3.2 |

With respect to the above accrued expenses and other, the Company has recorded receivables from affiliates of $2.2 million and $2.3 million at December 31, 2020 and 2019, respectively, relating to pension plan liabilities retained by such affiliates.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for the Company's pension plans are as follows:

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Projected benefit obligation | $ 666.5 | $ 629.7 |
| Accumulated benefit obligation | 663.6 | 627.9 |
| Fair value of plan assets | 463.0 | 462.4 |

The $36.8 million increase in the Company’s projected pension benefit obligation at December 31, 2020 as compared to December 31, 2019, is primarily due to the reduction in the discount rates, which had the effect of increasing the Company’s projected pension benefit obligation by approximately $50.5 million.

*Net Periodic Benefit Cost*

The components of net periodic benefit costs for the Company's pension and the other post-retirement benefit plans were as follows:

| | Pension Plans | | Other Post-Retirement Benefit Plans | |
|---|---|---|---|---|
| | Year Ended December 31, | | | |
| | 2020 | 2019 | 2020 | 2019 |
| Net periodic benefit costs: | | | | |
| Service cost | $ 1.7 | $ 1.9 | $ — | $ — |
| Interest cost | 15.0 | 20.0 | 0.3 | 0.4 |
| Expected return on plan assets | (22.8) | (25.1) | — | — |
| Amortization of actuarial loss | 11.0 | 9.9 | 0.4 | 0.2 |
| Curtailment and Settlement gain | (1.5) | — | — | — |
| Total net periodic benefit costs prior to allocation | $ 3.4 | $ 6.7 | $ 0.7 | $ 0.6 |
| Portion allocated to Revlon Holdings | (0.1) | (0.1) | — | — |
| Total net periodic benefit costs | $ 3.3 | $ 6.6 | $ 0.7 | $ 0.6 |

In the year ended December 31, 2020, the Company recognized net periodic benefit cost of $4.0 million, compared to net periodic benefit cost of $7.2 million in the year ended December 31, 2019, primarily due to lower interest costs and higher curtailment and settlement gains in 2020, partially offset by lower expected return on plan assets and higher amortization of actuarial loss.

Net periodic benefit costs are reflected in the Company's Consolidated Financial Statements as follows for the periods presented:

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Net periodic benefit costs: | | |
| Selling, general and administrative expense | $ 1.7 | $ 1.9 |
| Miscellaneous, net | 2.3 | 5.3 |
| Total net periodic benefit costs | $ 4.0 | $ 7.2 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Amounts recognized in accumulated other comprehensive loss at December 31, 2020 with respect to the Company's pension plans and other post-retirement plans, which have not yet been recognized as a component of net periodic benefit cost, were as follows:

| | Pension Benefits | Post-Retirement Benefits | Total |
|---|---|---|---|
| Net actuarial loss | $ 306.6 | $ 5.1 | $ 311.7 |
| Prior service cost | 0.9 | — | 0.9 |
| Accumulated Other Comprehensive Loss, Gross | 307.5 | 5.1 | 312.6 |
| Income tax benefit | (50.6) | (0.9) | (51.5) |
| Portion allocated (to) from Revlon Holdings | (0.8) | 0.2 | (0.6) |
| Accumulated Other Comprehensive Loss, Net | $ 256.1 | $ 4.4 | $ 260.5 |

*Pension Plan Assumptions:*

The following weighted average assumptions were used to determine the Company's projected benefit obligation of the Company's U.S. and International pension plans at the end of the respective years:

| | U.S. Plans | | International Plans | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| Discount rate | 2.18 % | 3.01 % | 1.33 % | 1.81 % |
| Rate of future compensation increases | N/A | 3.50 % | 1.81 % | 2.02 % |

The following weighted average assumptions were used to determine the Company's net periodic benefit (income) cost of the Company's U.S. and International pension plans during the respective years:

| | U.S. Plans | | International Plans | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| Discount rate | 3.01 % | 4.13 % | 1.81 % | 2.52 % |
| Expected long-term return on plan assets | 5.50 % | 6.00 % | 3.39 % | 4.86 % |
| Rate of future compensation increases | N/A | 3.50 % | 2.02 % | 2.02 % |

Effective December 31, 2015, the Company adopted the "full yield curve" method as an alternative approach to calculating the service and interest components of net periodic benefit cost for the Company's pension and other post-retirement benefits. Under the "full yield curve" method, the discount rate assumption was built through the application of specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows for each of the Company's pension and other post-retirement plans. Prior to December 31, 2015, the Company estimated the service and interest cost components utilizing a single weighted-average discount rate derived from the yield curve used to measure the projected benefit obligation at the beginning of the period. The change did not affect the measurement of the Company's total projected benefit obligations, as the change in service and interest costs was exactly offset in the actuarial loss (gain) recognized for each year. The Company made this change to provide a more precise measurement of service and interest costs by improving the correlation between projected benefit cash flows to the corresponding spot yield curve rates. The change to the "full yield curve" method was accounted for as a change in accounting estimate that was inseparable from a change in accounting principle, and accordingly, was accounted for prospectively.

In selecting its expected long-term rate of return on its pension plan assets, the Company considers a number of factors, including, without limitation, recent and historical performance of pension plan assets, the pension plan portfolios' asset allocations over a variety of time periods compared with third-party studies, the performance of the capital markets in recent years and other factors, as well as advice from various third parties, such as the pension plans' advisors, investment managers and actuaries. While the Company considered both the recent performance and the historical performance of pension plan assets, the Company's assumptions are based primarily on its estimates of long-term, prospective rates of return. Using the aforementioned methodologies, the Company selected a 5.50% and 3.39% weighted-average long-term rate of return on plan

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

assets assumption during 2020 for the U.S. and International pension plans, respectively. Differences between actual and expected asset returns are recognized in the net periodic benefit cost over the remaining service period of the active participating employees.

The rate of future compensation increases is an assumption used by the actuarial consultants for pension accounting and is determined based on the Company's current expectation for such increases.

*Investment Policy:*

The Investment Committee for the Company's U.S. pension plans (the "Investment Committee") has adopted (and revises from time-to-time) an investment policy for the Company's U.S. pension plans with the objective of realizing a long-term rate of return on pension plan assets that meets or exceeds, over time, the expected long-term rate of return on plan assets assumption, weighed against a reasonable risk level. In connection with this objective, the Investment Committee retains a professional investment advisor who recommends investment managers that invest plan assets in the following asset classes: common and preferred stock, mutual funds, fixed income securities, common and collective funds, hedge funds, group annuity contracts and cash and other investments. The Company's International plans follow a similar methodology in conjunction with local actuarial consultants and asset managers.

The investment policy adopted by the Investment Committee provides for investments in a broad range of publicly-traded securities, among other things. The investments are in domestic and international stocks, ranging from small to large capitalization stocks, debt securities ranging from domestic and international treasury issues, corporate debt securities, mortgages and asset-backed issues. Other investments may include cash and cash equivalents and hedge funds. The investment policy also allows for investments in private equity funds that are not covered in investments described above, provided that the Investment Committee approves any such investments prior to their selection. Also, global balanced strategies are utilized to provide for investments in a broad range of publicly-traded stocks and bonds in both domestic and international markets, as described above. In addition, the global balanced strategies can include commodities, provided that the Investment Committee approves any such investments prior to their selection.

The Investment Committee's investment policy does not allow the use of derivatives for speculative purposes, but such policy does allow its investment managers to use derivatives for the purpose of reducing risk exposures or to replicate exposures of a particular asset class.

The Company's U.S. and International pension plans have target asset allocation ranges that are intended to be flexible guidelines for allocating the plans' assets among various classes of assets. These target ranges are reviewed periodically and considered for readjustment when an asset class weighting is outside of its target range (recognizing that these are flexible target ranges that may vary from time-to-time) with the objective of meeting or exceeding the expected long-term rate of return on plan assets assumption, weighed against a reasonable risk level. The target ranges per asset class in effect for 2020 were as follows:

| | Target Ranges | |
|---|---|---|
| | U.S. Plans | International Plans |
| Asset Class: | | |
| Common and preferred stock | 0% - 10% | — |
| Mutual funds | 15% - 35% | — |
| Fixed income securities | 0% - 20% | — |
| Common and collective funds | 50% - 70% | 100% |
| Hedge funds | 0% - 15% | — |
| Cash and other investments | 0% - 10% | — |

*Fair Value of Pension Plan Assets:*

The following table presents information on the fair value of the Company's U.S. and International pension plan assets at December 31, 2020 and 2019:

| | U.S. Plans | | International Plans | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| Fair value of plan assets | $ 377.6 | $ 380.6 | $ 85.4 | $ 81.8 |

The Company determines the fair values of the Company's U.S. and International pension plan assets as follows:

- Common and preferred stock: The fair values of the investments included in the common and preferred stock asset class generally reflect the closing price reported on the major market where the individual securities are traded. The Plan classifies common and preferred stock investments within Level 1 of the fair value hierarchy.
- Mutual funds: The fair values of the investments included in the mutual funds asset class are determined using net asset value ("NAV") provided by the administrator of the funds. The NAV is based on the closing price reported on the major market where the individual securities within the mutual fund are traded. The Company classifies mutual fund investments within Level 1 of the fair value hierarchy.
- Fixed income securities: The fair values of the investments included in the fixed income securities asset class are based on a compilation of primarily observable market information and/or broker quotes. The Company classifies fixed income securities investments within Level 2 of the fair value hierarchy.
- Common and collective funds: The fair values of the investments included in the common and collective funds asset class are determined using NAV provided by the administrator of the funds. The NAV is based on the value of the underlying assets owned by the common and collective fund, minus its liabilities, and then divided by the number of shares outstanding. The redemption frequencies for the investments in the common and collective funds asset class range from daily to monthly, with redemption notice periods that range from 2 to 10 business days. The Company classifies common and collective fund investments within Level 1 or Level 2 of the fair value hierarchy, depending on whether certain criteria are met. Some common and collective funds for which fair value is not readily determinable are recorded using NAV per share or its equivalent, as permitted by the practical expedient, provided by ASU No. 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset per Share (or Its Equivalent) (the "ASU No. 2015-07 practical expedient"). These investments are not assigned a fair value hierarchy level.
- Hedge funds: The hedge funds asset class includes hedge funds that primarily invest in a grouping of equities, fixed income instruments, currencies, derivatives and/or commodities. The fair values of investments included in the hedge funds class are determined using NAV provided by the administrator of the funds. The hedge fund investments in the hedge funds asset class may employ leverage, generally can be sold on a quarterly or monthly basis and have redemption notice periods that range up to 90 business days. Hedge fund investments are generally recorded using NAV per share or its equivalent, as permitted by the ASU No. 2015-07 practical expedient, and are not assigned a fair value hierarchy level.
- Cash and cash equivalents: Cash and cash equivalents are measured at cost, which approximates fair value. The Company classifies cash and cash equivalents within Level 1 of the fair value hierarchy.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The fair values of the assets within the Company's U.S. and International pension plans at December 31, 2020 by asset category were as follows:

| | Total | Quoted Prices in Active Markets for Identical Assets Level 1 | Significant Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 |
|---|---|---|---|---|
| Common and Preferred Stock: | | | | |
| U.S. Small/Mid Cap Equity | — | — | — | — |
| Mutual Funds [a]: | | | | |
| Corporate Bonds | 10.8 | 10.8 | — | — |
| Government Bonds | 15.8 | 15.8 | — | — |
| U.S. Large Cap Equity | — | — | — | — |
| International Equities | 21.7 | 21.7 | — | — |
| Emerging Markets International Equity | 1.7 | 1.7 | — | — |
| U.S. Small/Mid Cap Equity | 1.1 | 1.1 | — | — |
| Cash and Cash Equivalents | 6.0 | 6.0 | — | — |
| Other [b] | 1.2 | 1.2 | — | — |
| Fixed Income Securities: | | | | |
| Corporate Bonds | — | — | — | — |
| Government Bonds | 68.1 | — | 68.1 | — |
| Common and Collective Funds [a]: | | | | |
| Corporate Bonds | 34.6 | 20.7 | 13.9 | — |
| Government Bonds | 38.7 | 4.8 | 33.9 | — |
| U.S. Large Cap Equity | 59.0 | 51.0 | 8.0 | — |
| U.S. Small/Mid Cap Equity | 24.6 | 24.6 | — | — |
| International Equities | 72.7 | 4.4 | 68.3 | — |
| Emerging Markets International Equity | 24.5 | 19.1 | 5.4 | — |
| Cash and Cash Equivalents | 1.8 | 1.8 | — | — |
| Other [b] | 0.6 | — | 0.6 | — |
| Cash and Cash Equivalents | 5.0 | 5.0 | — | — |
| Total Plan Assets in the fair value hierarchy | $ 387.9 | $ 189.7 | $ 198.2 | — |
| Investments measured at Net Asset Value [c] | | | | |
| Common and Collective Funds | 45.9 | | | |
| Hedge Funds | 29.2 | | | |
| Total Plan Assets measured at Net Asset Value | $ 75.1 | | | |
| Total Plan Assets at Fair Value | $ 463.0 | $ 189.7 | $ 198.2 | — |

[a] The investments in mutual funds and common and collective funds are disclosed above within the respective underlying investments' class (i.e., various equities, corporate bonds, government bonds and other investment classes), while the fair value hierarchy levels of the investments are based on the respective trust's direct ownership unit of account.
[b] Comprised of investments in equities, fixed income instruments, currencies, derivatives and/or commodities.
[c] These investments are presented for reconciliation purposes, but are not required to be categorized in the fair value hierarchy as they are measured at fair value using the net asset per share or its equivalent, as permitted by the ASU No. 2015-07 practical expedient.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The fair values of the assets within the Company's U.S. and International pension plans at December 31, 2019 by asset category were as follows:

| | Total | Quoted Prices in Active Markets for Identical Assets Level 1 | Significant Observable Inputs Level 2 | Significant Unobservable Inputs Level 3 |
|---|---|---|---|---|
| Common and Preferred Stock: | | | | |
| U.S. Small/Mid Cap Equity | — | — | — | — |
| Mutual Funds [a]: | | | | |
| Corporate Bonds | 10.8 | 10.8 | — | — |
| Government Bonds | 15.8 | 15.8 | — | — |
| U.S. Large Cap Equity | 0.2 | 0.2 | — | — |
| International Equities | 16.3 | 16.3 | — | — |
| Emerging Markets International Equity | 5.9 | 5.9 | — | — |
| Cash and Cash Equivalents | 1.6 | 1.6 | — | — |
| Other [b] | 2.0 | 2.0 | — | — |
| Fixed Income Securities: | | | | |
| Corporate Bonds | — | — | — | — |
| Government Bonds | 72.2 | — | 72.2 | — |
| Common and Collective Funds [a]: | | | | |
| Corporate Bonds | 33.6 | 19.4 | 14.2 | — |
| Government Bonds | 38.9 | 9.1 | 29.8 | — |
| U.S. Large Cap Equity | 55.5 | 48.7 | 6.8 | — |
| U.S. Small/Mid Cap Equity | 18.2 | 18.2 | — | — |
| International Equities | 70.8 | 3.4 | 67.4 | — |
| Emerging Markets International Equity | 18.1 | 13.0 | 5.1 | — |
| Cash and Cash Equivalents | 1.7 | 1.7 | — | — |
| Other [b] | 2.9 | — | 2.9 | — |
| Cash and Cash Equivalents | 12.9 | 12.9 | — | — |
| Total Plan Assets in the fair value hierarchy | $ 377.4 | $ 179.0 | $ 198.4 | — |
| Investments measured at Net Asset Value [c] | | | | |
| Common and Collective Funds | 52.4 | | | |
| Hedge Funds | 32.6 | | | |
| Total Plan Assets measured at Net Asset Value | $ 85.0 | | | |
| Total Plan Assets at Fair Value | $ 462.4 | $ 179.0 | $ 198.4 | — |

[a] The investments in mutual funds and common and collective funds are disclosed above within the respective underlying investments' class (i.e., various equities, corporate bonds, government bonds and other investment classes), while the fair value hierarchy levels of the investments are based on the respective trust's direct ownership unit of account.
[b] Comprised of investments in equities, fixed income instruments, currencies, derivatives and/or commodities.
[c] These investments are presented for reconciliation purposes, but are not required to be categorized in the fair value hierarchy as they are measured at fair value using the net asset per share or its equivalent, as permitted by the ASU No. 2015-07 practical expedient.

There were no transfers into or out of Level 3 assets in the Company's U.S. and International pension plan's fair value hierarchy during 2020 or 2019.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

*Estimated Future Benefit Payments:*

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid out of the Company's pension and other post-retirement benefit plans:

| | Total Pension Benefits | Total Other Benefits |
|---|---|---|
| 2021 | $ 46.5 | $ 1.5 |
| 2022 | $ 43.9 | $ 1.5 |
| 2023 | $ 42.4 | $ 1.4 |
| 2024 | $ 41.6 | $ 1.3 |
| 2025 | $ 40.9 | $ 1.2 |
| Years 2026 to 2030 | $ 187.4 | $ 4.7 |

*Contributions:*

The Company's intent is to fund at least the minimum contributions required to meet applicable federal employee benefit laws and local laws, or to directly pay benefit payments where appropriate. During the year ended December 31, 2020, $9.1 million and $0.7 million were contributed to the Company's pension plans and other post-retirement benefit plans, respectively. During 2021, the Company expects to contribute approximately $29 million in the aggregate to its pension and other post-retirement benefit plans.

As a result of the CARES Act passed by the U.S. Congress in March 2020 to address the economic environment resulting from COVID-19, and in accordance with the Limited Relief for Pension Funding and Retirement Plan Distributions provision of such act, the Company deferred to 2021 approximately $11.8 million of contributions that were otherwise scheduled to be paid to its two qualified pension plans at different earlier dates during 2020. The deferral was in effect only for 2020 and under the CARES relief provisions the Company was required to pay the contributions by no later than January 4, 2021, including interest at the plans' 2020 effective interest rate ("EIR") from the original due date to the actual payment date. The Company paid the contributions by the due date. The first quarterly contributions for the two qualified plans were originally due by April 15, 2020. The Company had already made $1.6 million in contributions to its qualified pension plans during the first quarter of 2020, prior to adopting the aforementioned provision of the CARES Act.

## 12. STOCK COMPENSATION PLAN

Revlon maintains the Fourth Amended and Restated Revlon, Inc. Stock Plan (as amended, the "Stock Plan"), which provides for awards of stock options, stock appreciation rights, restricted or unrestricted stock and restricted stock units ("RSUs") to eligible employees and directors of Revlon and its affiliates, including Products Corporation. An aggregate of 6,565,000 shares were reserved for issuance as Awards under the Stock Plan, of which there remained approximately 1.7 million shares available for grant as of December 31, 2020. In July 2014, the Stock Plan was amended to renew the Stock Plan for a 7-year renewal term expiring on April 14, 2021. In September 2019 the Stock Plan was amended in connection with the 2019 TIP, described below, to: (1) allow the Compensation Committee to delegate to Revlon's Chief Executive Officer the authority to grant RSUs to the Company's employees, other than its officers who are subject to Section 16 of the Securities Exchange Act of 1934, as amended (i.e., the Company's Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer & Controller); (2) allow for accelerated vesting of equity awards upon a termination without cause; (3) change the minimum vesting period for specified equity awards from 3 years to 2 years; and (4) to increase by 250,000 shares the number of shares of Revlon common stock that are not subject to the Stock Plan's minimum vesting requirements.

***Stock options:***

Non-qualified stock options granted under the Stock Plan, if granted, are granted at prices that equal or exceed the fair market value of Class A Common Stock on the grant date and have a term of 7 years. Option grants generally vest over service periods that range from 1 year to 4 years.

At December 31, 2020 and 2019, there were no options exercisable under the Stock Plan and there was no stock option activity for 2020 and 2019.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

***Restricted stock awards and restricted stock units:***

A summary of the restricted stock and RSU activity for each of 2020 and 2019 is presented in the following table:

| | Restricted Stock (000's) | Weighted Average Grant Date Fair Value Per Share |
|---|---|---|
| Outstanding at January 1, 2019 | 1,406.7 | 20.32 |
| Granted[(a)] | 1,163.5 | 21.72 |
| Vested[(b)] | (299.1) | 21.80 |
| Forfeited[(a)] | (249.5) | 20.11 |
| Outstanding at December 31, 2019 | 2,021.6 | 20.93 |
| Granted[(a)] | 1,065.3 | 14.91 |
| Vested[(b)] | (494.7) | 20.52 |
| Forfeited | (793.3) | 20.00 |
| Outstanding at December 31, 2020 | 1,798.9 | 17.89 |

[(a)] The 2019 grants include 67,214 restricted stock awards and 1,096,324 RSUs, the latter granted pursuant to the Long-Term Incentive Program and the 2019 Transaction Incentive Program under the Stock Plan, as discussed below. The 2020 grants include nil restricted stock awards and 1,065,319 RSUs, the latter granted pursuant to the Long-Term Incentive Program and the 2019 Transaction Incentive Program under the Stock Plan, as discussed below.
[(b)] Of the amounts that vested during 2020 and 2019, 148,620 and 92,260 shares, respectively, were withheld by the Company to satisfy certain grantees' minimum withholding tax requirements, which withheld shares became Revlon treasury stock and are not sold on the open market. (See discussion under "Treasury Stock" in Note 15, "Stockholders' Deficiency").

The Company recognizes non-cash compensation expense related to restricted stock awards and RSUs under the Stock Plan using the straight-line method over the remaining service period. The Company recorded compensation expense under the Stock Plan of $10.4 million and $8.1 million during 2020 and 2019, respectively. The 2020 total compensation expense consisted of $1.8 million related to restricted stock awards and $1.1 million and $7.5 million related to the Revlon 2019 Transaction Incentive Program and the Long-Term Incentive Program, respectively, discussed below. The total fair value of restricted stock and RSUs that vested during 2020 and 2019 was $10.2 million and $6.5 million, respectively. The deferred stock-based compensation balance related to restricted stock awards was $25.3 million at December 31, 2020. Of this balance, $1.7 million related to restricted stock awards and $23.6 million related to RSUs granted under the Revlon 2019 Transaction Incentive Program and the Long-Term Incentive Program, and they will be amortized ratably to compensation expense over a weighted-average remaining vesting period of 1.39 years.

The Stock Plan allows for awards of restricted stock and RSUs to employees and directors of Revlon and its affiliates, including Products Corporation. The restricted stock awards granted under the Stock Plan vest over service periods that generally range from 2 years to 5 years. The Company granted no shares of restricted stock to any executives during 2020. The Company granted 67,214 shares of restricted stock to certain executives during 2019, which vest ratably over a 3-year period, with the first tranche of such grants having vested in January 2020.

***Revlon 2019 Transaction Incentive Program***

In August 2019, it was disclosed that MacAndrews & Forbes and Revlon determined to explore strategic transactions involving Revlon and third parties (the "Strategic Review"). In light of this, the Compensation Committee of Revlon's Board of Directors approved a Revlon 2019 Transaction Incentive Program (the "2019 TIP") that enables the Company to award cash-based and RSU-based retention grants and transaction bonus awards, as well as providing for the accelerated vesting of time-based RSUs and restricted shares following a termination without cause or due to death or disability.

Each Tier 1 participant's 2019 TIP award is payable two-thirds in cash and one-third in RSUs vesting in 50% tranches on each of December 31, 2020 and December 31, 2021, while Tier 2 awards are payable 100% in cash in one lump-sum on December 31, 2020, in each case subject to certain earlier vesting for a change of control or termination of employment without cause, as described below. As of September 5, 2019, the Company approved a total of 206,812 time-based RSUs under Tier 1 of the 2019 TIP, which are scheduled to vest in equivalent amounts on each of December 31, 2020 and December 31, 2021, subject to continued employment (the "2019 TIP RSUs"). As of December 31, 2020, a total of 58,773 time-based RSUs under Tier 1 of the 2019 TIP had been granted and are outstanding. The Company's President and Chief Executive Officer declined an award under the retention program and will receive a transaction bonus only if the Company completes a transaction.

The 2019 TIP RSUs vest in full upon an involuntary termination, other than if due to cause; provided that if a change of control occurs or a brand or business segment is sold and (i) the impacted grantee accepts an offer of employment from the buyer, then: (A) if the buyer assumes the 2019 TIP RSUs, the grantee will continue to vest in the assumed awards (with the grantee having the continued right to accelerated vesting upon an involuntary termination, other than if due to cause); and (B) if the buyer does not assume the 2019 TIP RSUs, the grantee's 2019 TIP RSUs will vest upon closing the change of control; and (ii) the impacted grantee declines an offer of employment from the buyer for substantially comparable total compensation and benefits, the grantee will forfeit their unvested 2019 TIP RSUs (collectively, the "Special Vesting Rules").

The 2019 TIP also provides for the following cash-based awards payable to certain employees, subject to continued employment through the respective vesting dates: (i) Tier 1 - $6.8 million payable in two equal installments as of December 31, 2020 and December 31, 2021; and (ii) Tier 2 - $2.5 million payable in one installment as of December 31, 2020. Such cash-based awards follow the Special Vesting Rules following a termination without cause or due to death or disability. During 2019 and through December 31, 2020, the Company granted $3.9 million and $2.1 million cash-based awards, net of forfeitures, under Tier 1 and Tier 2 of the 2019 TIP, respectively, which are being amortized over the period from the grant dates to December 31, 2021 and December 31, 2020, respectively. The total amount amortized for these cash-based awards since the program's inception and through December 31, 2020 is approximately $5.4 million, of which $4.1 million were recorded during the year ended December 31, 2020, within "Acquisition, integration and divestiture costs" in the Company's Consolidated Statements of Operations and Comprehensive Loss.

***Long-Term Incentive Program***

The Company's LTIP RSUs consist of time-based RSUs and performance-based RSUs. Time-based RSUs are generally scheduled to vest ratably over a 3-year service period, while performance-based RSUs are scheduled to vest based on the achievement of certain Company performance metrics and cliff-vest at the completion of a 3-year performance period.

The fair value of the LTIP and TIP RSUs is determined based on the NYSE closing share price on the grant date.

In connection with the announcement of the 2019 TIP, in August 2019 the Company also approved applying the Special Vesting Rules to outstanding, pre-existing LTIP RSUs, except that accelerated vesting in the case of termination of employment without cause will apply only to any tranche of outstanding, pre-existing LTIP RSUs scheduled to vest in the 12-month period following termination, with any future tranches being forfeited. Prior to the approval of these Special Vesting Rules, while the outstanding, pre-existing LTIP RSUs would generally have accelerated vesting upon a change of control, they did not feature accelerated vesting for termination and, in such cases, they were entirely forfeited upon termination.

During 2020, the Company granted approximately 1.1 million time-based and performance-based RSU awards under the Stock Plan (the "2020 LTIP RSUs") to certain employees. See the roll-forward table in the following sections of this Note 12 for activity related to the year ended December 31, 2020.

***Acceleration of Vesting***

Under the aforementioned provisions for acceleration of vesting, as of December 31, 2020 and since the time these provisions became effective in September 2019, 49,642 LTIP RSUs and 41,203 2019 TIP Tier 1 RSUs were vested on an accelerated basis due to involuntary terminations, resulting in accelerated amortization of approximately $1.7 million. In addition, for the year ended December 31, 2020 and under the same accelerated vesting provisions, the Company also recorded approximately $1.6 million of accelerated amortization in connection with the cash portion of the 2019 TIP Tier 1 and Tier 2 awards that were vested on an accelerated basis due to involuntary terminations. See the roll-forward table in the following sections of this Note 12 for activity related to the year ended December 31, 2020.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

During the year ended December 31, 2020, the activity related to time-based and performance-based RSUs previously granted to eligible employees and the grant date fair value per share related to these RSUs were as follows under the LTIP and 2019 TIP programs, respectively:

| | Time-Based LTIP | | Performance-Based LTIP | |
|---|---|---|---|---|
| | RSUs (000's) | Weighted-Average Grant Date Fair Value per RSU | RSUs (000's) | Weighted-Average Grant Date Fair Value per RSU |
| **Outstanding as of December 31, 2019** | | | | |
| 2019 TIP RSUs [b] | 200.6 | $ 16.44 | n/a | $ — |
| LTIP RSUs: | | | | |
| 2019 | 425.6 | 22.55 | 425.6 | 22.55 |
| 2018 | 241.9 | 19.00 | 364.7 | 19.00 |
| 2017 [a] | 54.0 | 19.70 | 110.9 | 19.70 |
| Total LTIP RSUs | 721.5 | | 901.2 | |
| **Total LTIP and TIP RSUs Outstanding as of December 31, 2019** | 922.1 | | 901.2 | |
| **Granted** | | | | |
| 2019 TIP RSUs Granted [b] | 11.7 | 10.24 | n/a | — |
| LTIP RSUs: | | | | |
| 2020 | 577.3 | 14.96 | 476.3 | 14.96 |
| 2019 | — | — | — | — |
| 2018 | — | — | — | — |
| 2017 [a] | — | — | — | — |
| Total LTIP RSUs Granted | 577.3 | | 476.3 | |
| **Vested** | | | | |
| 2019 TIP RSUs Vested [b][c] | (97.7) | 16.12 | — | — |
| LTIP RSUs: | | | | |
| 2019 [c] | (141.8) | 22.55 | — | — |
| 2018 [c] | (113.7) | 19.32 | — | — |
| 2017 [a][c] | (53.4) | 19.70 | (14.2) | 19.70 |
| Total LTIP RSUs Vested | (308.9) | | (14.2) | |
| **Forfeited/Canceled** | | | | |
| 2019 TIP RSUs Forfeited/Canceled [b] | (55.8) | 16.44 | n/a | — |
| LTIP RSUs: | | | | |
| 2020 | (80.8) | 14.96 | (13.4) | 14.96 |
| 2019 | (114.5) | 22.55 | (170.3) | 22.55 |
| 2018 | (61.8) | 17.98 | (148.8) | 18.44 |
| 2017 [a] | (0.6) | 19.70 | (96.7) | 19.70 |
| Total LTIP RSUs Forfeited/Canceled | (257.7) | | (429.2) | |
| **Outstanding as of December 31, 2020** | | | | |
| 2019 TIP RSUs | 58.8 | 15.95 | n/a | — |
| LTIP RSUs: | | | | |
| 2020 | 496.5 | 14.96 | 462.9 | 14.96 |
| 2019 | 169.3 | 22.55 | 255.3 | 22.55 |
| 2018 | 66.4 | 19.40 | 215.9 | 19.42 |
| 2017 [a] | — | — | — | — |
| Total LTIP RSUs | 732.2 | | 934.1 | |
| **Total LTIP and TIP RSUs Outstanding as of December 31, 2020** | 791.0 | | 934.1 | |

[a] The 2017 time-based and performance-based LTIP RSUs were recognized over a 2-year service and performance period (i.e., 2018 and 2019).
[b] The 2019 TIP provides for RSU awards that are only time-based.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

[c] Includes acceleration of vesting upon involuntary terminations for the year ended December 31, 2020 of 44,182 RSUs under the 2019 and 2018 LTIPs and of 41,203 RSUs under the 2019 TIP Tier I awards.

*Time-Based LTIP and TIP RSUs*

The Company recognized $7.2 million of net compensation expense related to the time-based LTIP and TIP RSUs for the year ended December 31, 2020, respectively. As of December 31, 2020, the Company had $8.5 million of total deferred compensation expense related to non-vested, time-based LTIP and TIP RSUs. The cost is recognized over the vesting period of the awards, as described above.

*Performance-based LTIP RSUs*

The Company recognized $1.3 million of net compensation expense related to the performance-based LTIP RSUs for the year ended December 31, 2020, respectively. The amount of net compensation expense recognized during the year ended December 31, 2020 was affected by adjustments to the awards' expected achievement rates made primarily as a result of the ongoing adverse impact of COVID-19 on the Company's results of operations. As of December 31, 2020, the Company had $15.1 million of total deferred compensation expense related to non-vested, performance-based LTIP RSUs. The cost is recognized over the service period of the awards, as described above.

## 13. INCOME TAXES

The Company's income before income taxes and the applicable provision for income taxes are as follows:

| | Year Ended December 31, | |
|---|---|---|
| | **2020** | **2019** |
| Loss from continuing operations before income taxes: | | |
| United States | $ (357.0) | $ (293.0) |
| Foreign | (103.2) | 128.0 |
| | $ (460.2) | $ (165.0) |
| Provision for income taxes: | | |
| United States federal | $ 143.5 | $ (23.2) |
| State and local | 8.1 | 7.0 |
| Foreign | 7.2 | 16.4 |
| | $ 158.8 | $ 0.2 |
| Current: | | |
| United States federal | $ 3.5 | $ 5.8 |
| State and local | 1.8 | (1.8) |
| Foreign | (2.0) | 26.0 |
| | $ 3.3 | $ 30.0 |
| Deferred: | | |
| United States federal | $ 140.1 | $ (29.0) |
| State and local | 6.3 | 8.8 |
| Foreign | 9.1 | (9.6) |
| | $ 155.5 | $ (29.8) |
| Total provision for income taxes | $ 158.8 | $ 0.2 |

The Company's provision for income taxes represents federal, foreign, state and local income taxes. The Company’s tax provision changes quarterly based on various factors including, but not limited to, the geographical level and mix of earnings; enacted tax legislation; foreign, state and local income taxes; tax audit settlements; and the interaction of various global tax strategies.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The Company recorded a provision for income taxes of $158.8 million (Products Corporation - provision for income taxes of $140.5 million) for the year ended December 31, 2020 and a provision for income taxes of $0.2 million (Products Corporation - provision for income taxes of $1.6 million) for the year ended December 31, 2019, respectively. The $158.6 million increase (Products Corporation - $138.9 million) in the provision from income taxes in the year ended December 31, 2020, compared to the year ended December 31, 2019, was primarily due to: (i) the increase in the valuation allowance recorded on net federal deferred tax assets, (ii) the mix and level of earnings; and (iii) non-deductible impairment charges for which no tax benefit is recognized.

The Company's effective tax rate for the year ended December 31, 2020 was lower than the federal statutory rate of 21% primarily due to the increase in the valuation allowance recorded on the net federal deferred tax assets and the impact of non-deductible impairment charges, partially offset by the impact of the "Coronavirus Aid, Relief and Economic Security Act" (the "CARES Act"), signed into law on March 27, 2020 by President Trump, which resulted in a partial release of a valuation allowance on the Company's 2019 federal tax attributes associated with the limitation on the deductibility of interest.

The CARES Act, among other things, includes provisions providing for refundable payroll tax credits, the deferral of employer social security tax payments, acceleration of alternative minimum tax credit refunds and the increase of the net interest deduction limitation from 30% to 50%. The Company has adopted the net interest deduction limitation of 50% for the taxable period ending December 31, 2020 as outlined in the CARES Act.

The Company's effective tax rate for the year ended December 31, 2019 was lower than the federal statutory rate of 21%, primarily due to the valuation allowance related to the limitation on the deductibility of interest and the U.S. tax on the Company's foreign earnings.

As of December 31, 2020, the Company is indefinitely reinvested in the accumulated undistributed earnings of all of its foreign subsidiaries. If earnings are repatriated, any excess of financial reporting over tax basis could be subject to federal, state and foreign withholding taxes. At this time, the determination of deferred tax liabilities on the amount of financial reporting over tax basis is not practicable.

The actual tax on income before income taxes is reconciled to the applicable statutory federal income tax rate in the following table:

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Computed income tax benefit | $ (96.6) | $ (34.6) |
| State and local taxes, net of U.S. federal income tax benefit | 1.8 | (3.3) |
| Foreign rate differential and other foreign adjustments | 23.8 | (5.4) |
| Net establishment of valuation allowance | 193.7 | 19.1 |
| Net establishment of uncertain tax positions | 4.4 | 0.7 |
| Foreign dividends and earnings taxable in the U.S. | 7.9 | 23.2 |
| Impairment for which there is no tax benefit | 17.0 | — |
| Other | 6.8 | 0.5 |
| Total provision for income taxes | $ 158.8 | $ 0.2 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

Deferred taxes are the result of temporary differences between the bases of assets and liabilities for financial reporting and income tax purposes. The Company's deferred tax assets and liabilities at December 31, 2020 and 2019 were comprised of the following:

| | December 31, | |
|---|---|---|
| | 2020 | 2019 |
| Deferred tax assets: | | |
| Inventories | $ 19.0 | $ 19.8 |
| Net operating loss carryforwards - U.S. [(a)] | 174.5 | 165.5 |
| Net operating loss carryforwards - foreign | 51.4 | 55.0 |
| Disallowed Interest Carryover - U.S. | 61.2 | 63.1 |
| Employee benefits | 58.1 | 64.3 |
| Sales-related reserves | 16.2 | 20.4 |
| Lease liability | 26.6 | 20.3 |
| Deferred revenue | 17.2 | 0.1 |
| Restructuring - debt refinancing | 14.2 | — |
| Other | 58.8 | 55.4 |
| Total gross deferred tax assets | 497.2 | 463.9 |
| Less valuation allowance | (369.4) | (163.3) |
| Total deferred tax assets, net of valuation allowance | 127.8 | $ 300.6 |
| Deferred tax liabilities: | | |
| Plant, equipment and other assets | (34.9) | $ (43.9) |
| Intangibles | (62.8) | (73.3) |
| Other | (7.6) | (8.1) |
| Total gross deferred tax liabilities | (105.3) | (125.3) |
| Net deferred tax assets | 22.5 | $ 175.3 |

[(a)] Net operating loss carryforwards - U.S. for Products Corporation as of December 31, 2020 and December 31, 2019 were $158.9 million and $146.1 million, respectively.

In assessing the recoverability of its deferred tax assets, the Company continually evaluates all available positive and negative evidence to assess the amount of deferred tax assets for which it is more likely than not to realize a benefit. For any deferred tax asset in excess of the amount for which it is more likely than not that the Company will realize a benefit, the Company establishes a valuation allowance. A valuation allowance is a non-cash charge, and it in no way limits the Company's ability to utilize its deferred tax assets, including its ability to utilize tax loss and credit carryforward amounts.

As of December 31, 2020, the Company concluded that, based on its evaluation of objectively verifiable evidence, it is no longer more likely than not that its net federal deferred tax assets are recoverable. In assessing the realizability of deferred tax assets, the key assumptions used to determine positive and negative evidence included the Company’s cumulative taxable loss for the past three years, future reversals of existing taxable temporary differences, the Company's cost reduction initiatives and efficiency efforts, as well as the ongoing and prolonged impact COVID-19 pandemic on the Company. Accordingly, the Company recorded a charge of $189.5 million in the fourth quarter of 2020 as a reserve against its net federal deferred tax assets.

A valuation allowance has been provided for those deferred tax assets for which, in the opinion of the Company's management, it was more likely than not that a benefit will not be realized. At December 31, 2020, the deferred tax valuation allowance primarily represented amounts for its net U.S. federal deferred tax assets for which the Company has determined it is more likely than not they will not be recoverable, foreign jurisdictions where, as of the end of 2020, the Company had a three-year cumulative loss, and for certain U.S. state jurisdictions where the Company had tax loss carryforwards and other tax attributes which may expire prior to being utilized. The deferred tax valuation allowance increased by $206.1 million and decreased by $2.4 million during 2020 and 2019, respectively. The increase in the deferred tax valuation allowance during 2020 was primarily associated with the assessment of the realizability of the federal deferred tax assets for which the Company has determined it is more likely than not that it will not receive a benefit. The decrease in the deferred tax valuation allowance during 2019 was primarily associated with the write-off of valuation allowances on deferred tax assets no longer available and a release in foreign valuation allowance no longer required, offset by valuation allowances required on interest deduction

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limitations and foreign and state tax loss carryforwards for which the Company has determined it is more likely than not that it will not receive a benefit.

As of December 31, 2020, the Company had domestic (federal) and foreign net operating loss carryforwards of $969.3 million, of which $277.1 million are foreign and $692.2 million are domestic (federal). These losses expire in future years as follows: 2021- $2.5 million; 2022- $1.9 million; 2023 and beyond- $642.9 million; and no expiration- $321.9 million. The Company also has certain state net operating loss carryforwards that expire between 2021 and 2039. The Company could receive the benefit of such tax loss carryforwards only to the extent it has taxable income during the carryforward periods in the applicable tax jurisdictions. As of December 31, 2020, there were no consolidated federal net operating losses available from the MacAndrews & Forbes Group (as hereinafter defined) from periods prior to the March 25, 2004 deconsolidation (as described below). The Company has acquired entities that had carryforward balances for tax losses, tax credits and other tax attributes at the time of the acquisition. U.S. federal and certain state and foreign jurisdictions impose limitations on the amount of these tax losses, tax credits and other carryforward balances that may be utilized after an acquisition. The Company has evaluated the impact of these limitations and has established a valuation allowance to reduce the deferred tax assets to the amount that the Company expects will be realized.

The Company remains subject to examination of its income tax returns in various jurisdictions, including: the U.S. (federal) for the tax years ended December 31, 2017 and forward; Spain for the tax years ended December 31, 2014 and forward; Canada for the tax years ended December 31, 2013 and forward; Australia for the tax years ended December 31, 2016 and forward; Switzerland for the tax years ended June 30, 2015 and forward; Japan for the tax years ended December 31, 2015 and forward; and the U.K. for the tax years ended December 31, 2017 and forward.

At December 31, 2020 and 2019, the Company had unrecognized tax benefits of $84.4 million and $78.0 million, respectively, including $15.6 million and $11.7 million, respectively, of accrued interest and penalties. Of the $84.4 million of unrecognized tax benefits as of December 31, 2020, $53.5 million would affect the Company's effective tax rate, if recognized, and the remaining $30.9 million would affect the Company's deferred tax accounts. The Company classifies interest and penalties as a component of the provision for income taxes. The Company recognized in the Consolidated Statements of Operations and Comprehensive (Loss) Income an expense of $3.9 million and $1.9 million in 2020 and 2019, respectively.

A reconciliation of the beginning and ending amounts of the unrecognized tax benefits is provided in the following table:

| | Tax | Interest and Penalties | Total |
|---|---|---|---|
| Balance at January 1, 2019 | $ 64.9 | $ 9.8 | 74.7 |
| Increase based on tax positions taken in a prior year | 0.3 | 3.4 | 3.7 |
| Decrease based on tax positions taken in a prior year | (2.2) | (0.3) | (2.5) |
| Increase based on tax positions taken in the current year | 7.1 | — | 7.1 |
| Decrease resulting from the lapse of statutes of limitations | (3.8) | (1.2) | (5.0) |
| Balance at December 31, 2019 | $ 66.3 | $ 11.7 | $ 78.0 |
| Increase based on tax positions taken in a prior year | 3.5 | 6.4 | 9.9 |
| Decrease based on tax positions taken in a prior year | (3.3) | (1.0) | (4.3) |
| Increase based on tax positions taken in the current year | 5.5 | — | 5.5 |
| Decrease resulting from the lapse of statutes of limitations | (3.2) | (1.5) | (4.7) |
| Balance at December 31, 2020 | $ 68.8 | $ 15.6 | $ 84.4 |

In addition, the Company believes that it is reasonably possible that its unrecognized tax benefits will decrease in 2021 by approximately $3.6 million due to the expiration of statutes of limitation.

As a result of the closing of the 2004 Revlon Exchange Transactions (as hereinafter defined in Note 19, "Related Party Transactions - Tax Sharing Agreements"), as of March 25, 2004, Revlon, Products Corporation and their U.S. subsidiaries were no longer included in the affiliated group of which MacAndrews & Forbes was the common parent (the "MacAndrews & Forbes Group") for federal income tax purposes. Revlon Holdings (as hereinafter defined in Note 19, "Related Party Transactions - Transfer Agreements"), Revlon, Products Corporation and certain of its subsidiaries, and MacAndrews & Forbes Incorporated entered into a tax sharing agreement (as subsequently amended and restated, the "MacAndrews & Forbes Tax Sharing Agreement"), for taxable periods beginning on or after January 1, 1992 through and including March 25, 2004, during which Revlon and Products Corporation or a subsidiary of Products Corporation was a member of the MacAndrews & Forbes Group. In these taxable periods, Revlon's and Products Corporation's federal taxable income and loss were included in such

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group's consolidated tax return filed by MacAndrews & Forbes Incorporated. During such period, Revlon and Products Corporation were also included in certain state and local tax returns of MacAndrews & Forbes Incorporated or its subsidiaries. Revlon and Products Corporation remain liable under the MacAndrews & Forbes Tax Sharing Agreement for all such taxable periods through and including March 25, 2004 for amounts determined to be due as a result of a redetermination arising from an audit or otherwise, equal to the taxes that Revlon or Products Corporation would otherwise have had to pay if it were to have filed separate federal, state or local income tax returns for such periods.

MacAndrews & Forbes' current ownership does not require the Company to file a U.S. federal consolidated tax return with them. However, in certain U.S. states and in certain local and foreign jurisdictions the Company is required to file consolidated, combined, unitary or similar returns. The liability for these state, local and foreign liabilities is also governed by the MacAndrews & Forbes Tax Sharing Agreement. The Company accounts for its tax liabilities in these jurisdictions as if it were a separate filer, and the Company's tax accounts are presented as if it were a separate filer. During 2020, the Company's cash tax payments included $0.1 million of payments made to MacAndrews & Forbes in connection with these filings, and the Company's ending tax asset, which is a component of prepaid and other current assets, includes an insignificant amount related to future payments to be received from MacAndrews & Forbes in connection with these filings.

Following the closing of the 2004 Revlon Exchange Transactions, Revlon became the parent of a new consolidated group for federal income tax purposes and Products Corporation's federal taxable income and loss are included in such group's consolidated tax returns. Accordingly, Revlon and Products Corporation entered into a tax sharing agreement (the "Revlon Tax Sharing Agreement") pursuant to which Products Corporation is required to pay to Revlon amounts equal to the taxes that Products Corporation would otherwise have had to pay if Products Corporation were to file separate federal, state or local income tax returns, limited to the amount, and payable only at such times, as Revlon will be required to make payments to the applicable taxing authorities.

## 14. ACCUMULATED OTHER COMPREHENSIVE LOSS

A roll-forward of the Company's accumulated other comprehensive loss is as follows:

| | Foreign Currency Translation | Actuarial (Loss) Gain on Post-retirement Benefits | Other | Accumulated Other Comprehensive Loss |
|---|---|---|---|---|
| Balance at January 1, 2019 | $ (24.4) | $ (209.5) | $ (0.3) | $ (234.2) |
| Foreign currency translation adjustment, net of tax of $(1.8) million | (2.9) | — | — | (2.9) |
| Amortization of pension related costs, net of tax of $(1.1) million [(a)] | — | 9.0 | — | 9.0 |
| Pension re-measurement, net of tax of $5.2 million | — | (19.3) | — | (19.3) |
| Other comprehensive (loss) income | $ (2.9) | $ (10.3) | $ — | $ (13.2) |
| Balance at January 1, 2020 | $ (27.3) | $ (219.8) | $ (0.3) | $ (247.4) |
| Foreign currency translation adjustment, net of tax of nil million | 10.2 | — | — | 10.2 |
| Amortization of pension related costs, net of tax of nil million [(a)] | — | 11.4 | — | 11.4 |
| Pension re-measurement, net of tax of $1.9 million | — | (52.1) | — | (52.1) |
| Other comprehensive (loss) gain | $ 10.2 | $ (40.7) | $ — | $ (30.5) |
| Balance at December 31, 2020 | $ (17.1) | $ (260.5) | $ (0.3) | $ (277.9) |

[(a)] Amounts represent the change in accumulated other comprehensive loss as a result of the amortization of actuarial losses (gains) arising during each year related to the Company's pension and other post-retirement plans. See Note 11, "Pension and Post-retirement Benefits," for further information on the Company's pension and other post-retirement plans.

For the year ended December 31, 2020 and 2019, the Company did not have any activity related to derivative instruments.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

## 15. STOCKHOLDERS' DEFICIENCY

Information about the Company's common and treasury stock issued and/or outstanding is presented in the following table:

| | Class A Common Stock | Treasury Stock |
|---|---|---|
| Balance, January 1, 2019 | 55,556,466 | 1,533,320 |
| Restricted stock grants [(a)] | 1,163,538 | — |
| Restricted stock forfeitures | (249,514) | — |
| Withholding of restricted stock to satisfy taxes | — | 92,260 |
| Balance, December 31, 2019 | 56,470,490 | 1,625,580 |
| Restricted stock grants [(a)] | 1,065,319 | — |
| Restricted stock forfeitures | (793,296) | — |
| Withholding of restricted stock to satisfy taxes | — | 148,620 |
| Balance, December 31, 2020 | 56,742,513 | 1,774,200 |

[(a)] The 2019 and 2020 grants include 67,214 and nil restricted stock awards, respectively, and 1,096,324 and 1,065,319 RSUs, respectively, the latter granted pursuant to the 2019 TIP and LTIP programs under the Stock Plan. See Note 12., "Stock Compensation Plan," for further discussion of the Company's Stock Plan.

*Common Stock*

As of December 31, 2020, Revlon's authorized common stock consisted of 900 million shares of Class A Common Stock, with a par value of $0.01 per share (the "Class A Common Stock"), and 200 million shares of Class B common stock, par value $0.01 per share ("Class B Common Stock" and together with the Class A Common Stock, the "Common Stock").

As of December 31, 2020, MacAndrews & Forbes beneficially owned approximately 86.7% of Revlon's Class A Common Stock, which at such date was Revlon's only class of capital stock outstanding.

*Treasury Stock*

Pursuant to the share withholding provisions of the Stock Plan, during 2020 the Company withheld a total of 148,620 shares of Revlon Class A Common Stock to satisfy its minimum statutory tax withholding requirements related to the vesting of shares of restricted stock and RSUs. These shares were recorded as treasury stock using the cost method, at a weighted average of $10.98 per share, based on the NYSE closing price per share on each applicable vesting date, for a total of $1.7 million. During 2019 the Company withheld a total of 92,260 shares of Revlon Class A Common Stock to satisfy its minimum statutory tax withholding requirements related to the vesting of shares of restricted stock. These shares were recorded as treasury stock using the cost method, at a weighted average of $17.75 per share, based on the NYSE closing price per share on each applicable vesting date, for a total of $1.6 million.

## 16. SEGMENT DATA AND RELATED INFORMATION

***Operating Segments***

Operating segments include components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker (the Company's "Chief Executive Officer") in deciding how to allocate resources and in assessing the Company's performance. As a result of the similarities in the procurement, manufacturing and distribution processes for the Company's products, much of the information provided in the Consolidated Financial Statements and provided in the segment table below is similar to, or the same as, that reviewed on a regular basis by the Company's Chief Executive Officer.

As of December 31, 2020, the Company's operations are organized into the following reportable segments:

- ***Revlon*** - The Revlon segment is comprised of the Company's flagship Revlon brands. Revlon segment products are primarily marketed, distributed and sold in the mass retail channel, large volume retailers, chain drug and food stores, chemist shops, hypermarkets, general merchandise stores, e-commerce sites, television shopping, department stores, professional hair and nail salons, one-stop shopping beauty retailers and specialty cosmetic stores in the U.S. and internationally under brands such as **Revlon** in color cosmetics; **Revlon ColorSilk** and **Revlon Professional** in hair color; and **Revlon** in beauty tools.
- ***Elizabeth Arden*** - The Elizabeth Arden segment is comprised of the Company's Elizabeth Arden branded products. The Elizabeth Arden segment markets, distributes and sells fragrances, skin care and color cosmetics primarily to prestige retailers, department and specialty stores, perfumeries, boutiques, e-commerce sites, the mass retail channel, travel retailers and distributors, as well as direct sales to consumers via its Elizabeth Arden branded retail stores and elizabetharden.com e-commerce website, in the U.S. and internationally, under brands such as **Elizabeth Arden Ceramide, Prevage, Eight Hour, SUPERSTART, Visible Difference** and **Skin Illuminating** in the Elizabeth Arden skin care brands; and **Elizabeth Arden White Tea, Elizabeth Arden Red Door, Elizabeth Arden 5th Avenue** and **Elizabeth Arden Green Tea** in Elizabeth Arden fragrances.
- ***Portfolio*** - The Company's Portfolio segment markets, distributes and sells a comprehensive line of premium, specialty and mass products primarily to the mass retail channel, hair and nail salons and professional salon distributors in the U.S. and internationally and large volume retailers, specialty and department stores under brands such as **Almay** and **SinfulColors** in color cosmetics; **American Crew** in men's grooming products (which are also sold direct-to-consumer on its americancrew.com website); **CND** in nail polishes, gel nail color and nail enhancements; **Cutex** nail care products; and **Mitchum** in anti-perspirant deodorants. The Portfolio segment also includes a multi-cultural hair care line consisting of **Creme of Nature** hair care products, which are sold in both professional salons and in large volume retailers and other retailers, primarily in the U.S.; and a hair color line under the **Llongueras** brand (licensed from a third party) that is sold in the mass retail channel, large volume retailers and other retailers, primarily in Spain.
- ***Fragrances*** - The Fragrances segment includes the development, marketing and distribution of certain owned and licensed fragrances as well as the distribution of prestige fragrance brands owned by third parties. These products are typically sold to retailers in the U.S. and internationally, including prestige retailers, specialty stores, e-commerce sites, the mass retail channel, travel retailers and other international retailers. The owned and licensed fragrances include brands such as: (i) **Juicy Couture** (which are also sold direct-to-consumer on its juicycouturebeauty.com website), **John Varvatos** and **AllSaints** in prestige fragrances; (ii) **Britney Spears**, **Elizabeth Taylor**, **Christina Aguilera**, **Jennifer Aniston** and **Mariah Carey** in celebrity fragrances; and (iii) **Curve**, **Giorgio Beverly Hills**, **Ed Hardy**, **Charlie**, **Lucky Brand**, **‹PS›** (logo of former Paul Sebastian brand), **Alfred Sung**, **Halston**, **Geoffrey Beene** and **White Diamonds** in mass fragrances.

The Company's management evaluates segment profit for each of the Company's reportable segments. The Company allocates corporate expenses to each reportable segment to arrive at segment profit, and these expenses are included in the internal measure of segment operating performance. The Company defines segment profit as income from continuing operations before interest, taxes, depreciation, amortization, stock-based compensation expense, gains/losses on foreign currency fluctuations, gains/losses on the early extinguishment of debt and miscellaneous expenses. Segment profit also excludes the impact of certain items that are not directly attributable to the reportable segments' underlying operating performance. Such items are shown below in the table reconciling segment profit to consolidated income from continuing operations before income taxes. The Company does not have any material inter-segment sales.

The accounting policies for each of the reportable segments are the same as those described in Note 1, "Description of Business and Summary of Significant Accounting Policies." The Company's assets and liabilities are managed centrally and

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

are reported internally in the same manner as the Consolidated Financial Statements; thus, no additional information regarding assets and liabilities of the Company's reportable segments is produced for the Company's Chief Executive Officer or included in these Consolidated Financial Statements.

The following table is a comparative summary of the Company's net sales and segment profit for Revlon and Products Corporation by reportable segment for the periods presented.

**Revlon, Inc.**

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| **Segment Net Sales:** | | |
| Revlon | $ 688.4 | $ 958.8 |
| Elizabeth Arden | 463.5 | 520.0 |
| Portfolio | 401.3 | 487.8 |
| Fragrances | 351.1 | 453.0 |
| Total | $ 1,904.3 | $ 2,419.6 |
| | | |
| **Segment Profit:** | | |
| Revlon | $ 86.5 | $ 101.2 |
| Elizabeth Arden | 39.6 | 37.6 |
| Portfolio | 47.4 | 45.0 |
| Fragrances | 66.6 | 82.3 |
| Total | $ 240.1 | $ 266.1 |
| | | |
| **Reconciliation:** | | |
| Total Segment Profit | $ 240.1 | $ 266.1 |
| Less: | | |
| Depreciation and amortization | 143.3 | 162.9 |
| Non-cash stock compensation expense | 10.4 | 8.1 |
| Non-Operating items: | | |
| Restructuring and related charges | 68.7 | 30.5 |
| Acquisition, integration and divestiture costs | 5.0 | 3.9 |
| (Gain) loss on divested assets | (0.5) | (26.6) |
| Financial control remediation and sustainability actions and related charges | 9.6 | 13.4 |
| Excessive coupon redemptions | 4.2 | 13.2 |
| COVID-19 charges | 46.3 | — |
| Capital structure and related charges | 35.3 | — |
| Impairment charges | 144.1 | — |
| Operating (loss) income | (226.3) | 60.7 |
| Less: | | |
| Interest Expense | 243.3 | 196.6 |
| Amortization of debt issuance costs | 26.8 | 14.6 |
| Gain on early extinguishment of debt | (43.1) | — |
| Foreign currency (gains) losses, net | (6.0) | (1.9) |
| Miscellaneous, net | 12.9 | 16.4 |
| Loss from continuing operations before income taxes | $ (460.2) | $ (165.0) |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

**Products Corporation**

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| **Segment Net Sales:** | | |
| Revlon | $ 688.4 | $ 958.8 |
| Elizabeth Arden | 463.5 | 520.0 |
| Portfolio | 401.3 | 487.8 |
| Fragrances | 351.1 | 453.0 |
| Total | $ 1,904.3 | $ 2,419.6 |
| | | |
| **Segment Profit:** | | |
| Revlon | $ 89.1 | $ 104.3 |
| Elizabeth Arden | 41.4 | 39.3 |
| Portfolio | 48.9 | 46.6 |
| Fragrances | 67.9 | 83.8 |
| Total | $ 247.3 | $ 274.0 |
| | | |
| **Reconciliation:** | | |
| Total Segment Profit | $ 247.3 | $ 274.0 |
| Less: | | |
| Depreciation and amortization | 143.3 | 162.9 |
| Non-cash stock compensation expense | 10.4 | 8.1 |
| Non-Operating items: | | |
| Restructuring and related charges | 68.7 | 30.5 |
| Acquisition, integration and divestiture costs | 5.0 | 3.9 |
| Gain on divested assets | (0.5) | (26.6) |
| Financial control remediation and sustainability actions and related charges | 9.6 | 13.4 |
| Excessive coupon redemptions | 4.2 | 13.2 |
| COVID-19 charges | 46.3 | — |
| Capital structure and related charges | 35.3 | — |
| Impairment charge | 144.1 | — |
| Operating (loss) income | (219.1) | 68.6 |
| Less: | | |
| Interest Expense | 243.3 | 196.6 |
| Amortization of debt issuance costs | 26.8 | 14.6 |
| Gain on early extinguishment of debt | (43.1) | — |
| Foreign currency (gains) losses, net | (6.0) | (1.9) |
| Miscellaneous, net | 12.9 | 16.4 |
| Loss from continuing operations before income taxes | $ (453.0) | $ (157.1) |

As of December 31, 2020, the Company had operations established in approximately 25 countries outside of the U.S. and its products are sold throughout the world. Generally, net sales by geographic area are presented by attributing revenues from external customers on the basis of where the products are sold. Walmart and its affiliates worldwide accounted for approximately 18% and 15% of the Company's worldwide net sales in 2020 and 2019, respectively.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following tables present the Company's segment net sales by geography and total net sales by classes of similar products for the periods presented:

| | Year Ended December 31, 2020 | | | | |
|---|---|---|---|---|---|
| **Geographic Area[1]:** | **Revlon** | **Elizabeth Arden** | **Portfolio** | **Fragrances** | **Total** |
| Net Sales | | | | | |
| North America | $ 381.0 | $ 104.4 | $ 247.9 | $ 253.4 | $ 986.7 |
| EMEA* | 146.3 | 95.7 | 122.9 | 69.9 | 434.8 |
| Asia | 49.9 | 239.2 | 2.2 | 10.9 | 302.2 |
| Latin America* | 50.9 | 5.8 | 16.2 | 4.7 | 77.6 |
| Pacific* | 60.3 | 18.4 | 12.1 | 12.2 | 103.0 |
| | $ 688.4 | $ 463.5 | $ 401.3 | $ 351.1 | $ 1,904.3 |

| | Year Ended December 31, 2019 | | | | |
|---|---|---|---|---|---|
| **Geographic Area[1]:** | **Revlon** | **Elizabeth Arden** | **Portfolio** | **Fragrances** | **Total** |
| Net Sales | | | | | |
| North America | 497.2 | 120.4 | 298.9 | 309.2 | $ 1,225.7 |
| EMEA* | 199.9 | 130.6 | 149.8 | 102.9 | 583.2 |
| Asia | 107.9 | 236.1 | 4.2 | 16.1 | 364.3 |
| Latin America* | 75.5 | 9.2 | 22.2 | 10.2 | 117.1 |
| Pacific* | 78.3 | 23.7 | 12.7 | 14.6 | 129.3 |
| | $ 958.8 | $ 520.0 | $ 487.8 | $ 453.0 | $ 2,419.6 |

(1) During the first quarter of 2020, the Company changed the presentation of its Travel Retail business, which previously was included in its EMEA Region, as it is currently presented within each geographic area in accordance with the location of the retail customer. Travel Retail net sales represented approximately 2.1% and 4.6% of the Company's total net sales for the year ended December 31, 2020 and 2019, respectively. Prior year amounts have been updated to reflect the current year presentation.

* The EMEA region includes Europe, the Middle East and Africa; the Latin America region includes Mexico, Central America and South America; and the Pacific region includes Australia and New Zealand.

| | Year Ended December 31, | | | |
|---|---|---|---|---|
| | **2020** | | **2019** | |
| **Classes of similar products:** | | | | |
| Net sales: | | | | |
| Color cosmetics | $ 452.0 | *24%* | $ 769.9 | *32%* |
| Fragrance | 486.1 | *25%* | 611.7 | *26%* |
| Hair care | 456.1 | *24%* | 513.8 | *21%* |
| Beauty care | 189.0 | *10%* | 176.9 | *7%* |
| Skin care | 321.1 | *17%* | 347.3 | *14%* |
| | $ 1,904.3 | | $ 2,419.6 | |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

The following table presents the Company's long-lived assets by geographic area:

| | December 31, 2020 | | December 31, 2019 | |
|---|---|---|---|---|
| **Long-lived assets, net:** | | | | |
| United States | $ 1,194.9 | *82%* | $ 1,414.0 | *83%* |
| International | 260.7 | *18%* | 280.1 | *17%* |
| | $ 1,455.6 | | $ 1,694.1 | |

## 17. REVLON, INC. BASIC AND DILUTED EARNINGS (LOSS) PER COMMON SHARE

Shares used in calculating Revlon's basic loss per share are computed using the weighted-average number of Revlon's shares of Class A Common Stock outstanding during each period. Shares used in diluted loss per share include the dilutive effect of unvested restricted stock, LTIP RSUs and TIP RSUs under the Company's Stock Plan using the treasury stock method. For the years ended December 31, 2020 and 2019, Revlon's diluted loss per share equals basic loss per share, as the assumed vesting of restricted stock, LTIP RSUs and TIP RSUs would have an anti-dilutive effect. As of December 31, 2020 and 2019, there were no outstanding stock options under the Company's Stock Plan. See Note 12, "Stock Compensation Plan," for information on the LTIP and TIP RSUs.

Following are the components of Revlon's basic and diluted loss per common share for the periods presented:

| | Year Ended December 31, | |
|---|---|---|
| | 2020 | 2019 |
| **Numerator:** | | |
| Loss from continuing operations, net of taxes | $ (619.0) | $ (165.2) |
| Income from discontinued operations, net of taxes | — | 7.5 |
| Net loss | $ (619.0) | $ (157.7) |
| **Denominator:** | | |
| Weighted-average common shares outstanding – Basic | 53,401,324 | 53,081,321 |
| Effect of dilutive restricted stock and RSUs | — | — |
| Weighted-average common shares outstanding – Diluted | 53,401,324 | 53,081,321 |
| **Basic and Diluted (loss) earnings per common share:** | | |
| Continuing operations | $ (11.59) | $ (3.11) |
| Discontinued operations | — | 0.14 |
| Net loss per common share | $ (11.59) | $ (2.97) |
| | | |
| Unvested restricted stock and RSUs under the Stock Plan[(a)] | — | 478,202 |

[(a)] These are outstanding common stock equivalents that were not included in the computation of Revlon's diluted earnings per common share because their inclusion would have had an anti-dilutive effect.

## 18. CONTINGENCIES

On August 12, 2020, UMB Bank, National Association (“UMB”), purporting to act as successor agent under the Term Credit Agreement, dated as of September 7, 2016 (as amended as of May 7, 2020 and as otherwise amended, restated, supplemented or otherwise modified from time to time, the “2016 Credit Agreement”), filed a lawsuit, captioned UMB Bank, National Association v. Revlon, Inc. et al., against Revlon, Inc., Products Corporation, several of Products Corporation’s subsidiaries, and several of Products Corporation’s contractual counterparties, including Citibank, Jefferies Finance LLC, Jefferies LLC, and Ares Corporate Opportunities Fund V, in the U.S. District Court for the Southern District of New York (the “Complaint”). The Complaint alleged various claims, including breach of contract and fraudulent transfers, stemming from alleged breaches of the 2016 Credit Agreement arising from certain other financing transactions entered into by the Company. The Complaint was never served on any defendant, and on November 6, 2020, having failed to serve the lawsuit on any defendant or make any effort to pursue the case, UMB Bank dismissed the case without prejudice to its right to refile it at a later date.

The Company is also involved in various routine legal proceedings incidental to the ordinary course of its business. The Company believes that the outcome of all pending legal proceedings in the aggregate is not reasonably likely to have a material adverse effect on the Company's business, prospects, results of operations, financial condition and/or cash flows. However, in light of the uncertainties involved in legal proceedings generally, the ultimate outcome of a particular matter could be material to the Company's operating results for a particular period depending on, among other things, the size of the loss or the nature of the liability imposed and the level of the Company's income for that particular period.

## 19. RELATED PARTY TRANSACTIONS

As of December 31, 2020, MacAndrews & Forbes beneficially owned approximately 86.7% of Revlon's Class A Common Stock, which at such date was Revlon's only class of capital stock outstanding. As a result, MacAndrews & Forbes is able to elect Revlon's entire Board of Directors and control the vote on all matters submitted to a vote of Revlon's stockholders. MacAndrews & Forbes is beneficially owned by Ronald O. Perelman. Mr. Perelman is Chairman of Revlon's and Product Corporation's Board of Directors.

### 5.75% Senior Notes Exchange Offer

MacAndrews & Forbes tendered approximately $15.5 million of 5.75% Senior Notes into the Exchange Offer and, in exchange, received the Mixed Consideration as described herein, in accordance with the terms and conditions of the Exchange Offer. Additionally, MacAndrews & Forbes acquired the rights to the Mixed Consideration to be received by certain holders in the Exchange Offer. Subsequently, MacAndrews & Forbes sold its interest in the ABL FILO Term Loans and the New BrandCo Second-Lien Term Loans in the open market, according to disclosures by MacAndrews & Forbes in Amendment No. 15 to their Schedule 13D.

### Transfer and Reimbursement Agreements

Revlon, Products Corporation and MacAndrews & Forbes have entered into reimbursement agreements (the "Reimbursement Agreements") pursuant to which: (i) MacAndrews & Forbes is obligated to provide (directly or through its affiliates) certain professional and administrative services, including, without limitation, employees, to the Company, and to purchase services from third-party providers, such as insurance, legal, accounting and air transportation services, on behalf of the Company, to the extent requested by Products Corporation; and (ii) Products Corporation is obligated to provide certain professional and administrative services, including, without limitation, employees, to MacAndrews & Forbes and to purchase services from third-party providers, such as insurance, legal and accounting services, on behalf of MacAndrews & Forbes, to the extent requested by MacAndrews & Forbes, provided that in each case the performance of such services does not cause an unreasonable burden to MacAndrews & Forbes or Products Corporation, as the case may be.

The Company reimburses MacAndrews & Forbes for the allocable costs of the services that MacAndrews & Forbes purchases for or provides to the Company and for the reasonable out-of-pocket expenses that MacAndrews & Forbes incurs in connection with the provision of such services. MacAndrews & Forbes reimburses Products Corporation for the allocable costs of the services that Products Corporation purchases for or provides to MacAndrews & Forbes and for the reasonable out-of-pocket expenses incurred by Products Corporation in connection with the purchase or provision of such services. Each of the Company, on the one hand, and MacAndrews & Forbes, on the other, has agreed to indemnify the other party for losses arising out of the services provided by it under the Reimbursement Agreements, other than losses resulting from its willful misconduct or gross negligence.

The Reimbursement Agreements may be terminated by either party on 90 days' notice. The Company does not intend to request services under the Reimbursement Agreements unless their costs would be at least as favorable to the Company as could be obtained from unaffiliated third parties.

The Company participates in MacAndrews & Forbes' directors and officers liability insurance program (the "D&O Insurance Program"), as well as its other insurance coverages, such as property damage, business interruption, liability and other coverages, which cover the Company, as well as MacAndrews & Forbes and its subsidiaries. The limits of coverage for certain of the policies are available on an aggregate basis for losses to any or all of the participating companies and their respective directors and officers. The Company reimburses MacAndrews & Forbes from time-to-time for their allocable portion of the premiums for such coverage or the Company pays the insurers directly, which premiums the Company believes are more favorable than the premiums that the Company would pay were it to secure stand-alone coverage. Any amounts paid by the Company directly to MacAndrews & Forbes in respect of premiums are included in the amounts paid under the Reimbursement

Agreements. To ensure the availability of directors and officers liability insurance coverage through January 2023, the Company and MacAndrews & Forbes agreed to collectively make payments under MacAndrews & Forbes' D&O Insurance Program. In furtherance of such arrangement, during 2020, the Company made payments of approximately $5.3 million to MacAndrews & Forbes under the Reimbursement Agreements. Consequently, as of December 31, 2020, the Company has no balance outstanding in respect of its participation in the D&O Insurance Program.

In June 1992, Revlon and Products Corporation entered into an asset transfer agreement ("Transfer Agreement") with Revlon Holdings Inc. ("Revlon Holdings"), which is an affiliate of MacAndrews & Forbes. Revlon Holdings transferred certain assets to Revlon and Products Corporation and Revlon and Products Corporation assumed all of the liabilities of Revlon Holdings, other than certain specifically excluded assets and liabilities.

The net activity related to services purchased under the Transfer and Reimbursement Agreements during the year ended December 31, 2020 and 2019 was $0.8 million income and $0.5 million expense, respectively. As of December 31, 2020 and December 31, 2019, a receivable balance of $0.1 million from, and a payable balance of $0.2 million to, MacAndrews & Forbes, respectively, were included in the Company's Consolidated Balance Sheet for transactions subject to the Transfer and Reimbursement Agreements.

**Tax Sharing Agreements**

As a result of a debt-for-equity exchange transaction completed in March 2004 (the "2004 Revlon Exchange Transactions"), as of March 25, 2004, Revlon, Products Corporation and their U.S. subsidiaries were no longer included in the MacAndrews & Forbes Group for U.S. federal income tax purposes. See Note 13, "Income Taxes," for further discussion on these agreements and related transactions in 2020 and 2019.

**Registration Rights Agreement**

Prior to the consummation of Revlon's initial public equity offering in February 1996, Revlon and Revlon Worldwide Corporation (which subsequently merged into REV Holdings LLC, a Delaware limited liability company and a wholly-owned subsidiary of MacAndrews & Forbes ("REV Holdings")), the then direct parent of Revlon entered into a registration rights agreement (the "Registration Rights Agreement"). In February 2003, MacAndrews & Forbes executed a joinder agreement to the Registration Rights Agreement, pursuant to which REV Holdings, MacAndrews & Forbes and certain transferees of Revlon's Common Stock held by REV Holdings (the "Holders") have the right to require Revlon to register under the Securities Act all or part of the Class A Common Stock owned by such Holders, including, without limitation, the shares of Class A Common Stock purchased by MacAndrews & Forbes in connection with Revlon's 2003 $50.0 million equity rights offering and the shares of Class A Common Stock which were issued to REV Holdings upon its conversion of all 3,125,000 shares of its Class B Common Stock in October 2013 (a "Demand Registration"). In connection with closing the 2004 Revlon Exchange Transactions and pursuant to the 2004 Investment Agreement, MacAndrews & Forbes executed a joinder agreement that provided that MacAndrews & Forbes would also be a Holder under the Registration Rights Agreement and that all shares acquired by MacAndrews & Forbes pursuant to the 2004 Investment Agreement are deemed to be registrable securities under the Registration Rights Agreement. This included all of the shares of Class A Common Stock acquired by MacAndrews & Forbes in connection with Revlon's March 2006 $110 million rights offering of shares of its Class A Common Stock and related private placement to MacAndrews & Forbes, and Revlon's January 2007 $100 million rights offering of shares of its Class A Common Stock and related private placement to MacAndrews & Forbes. Pursuant to the Registration Rights Agreement, in 2009 Revlon registered under the Securities Act all 9,336,905 shares of Class A Common Stock issued to MacAndrews & Forbes in the 2009 Exchange Offer, in which, among other things, Revlon issued to MacAndrews & Forbes shares of Class A Common Stock at a ratio of one share of Class A Common Stock for each $5.21 of outstanding principal amount of the then-outstanding Senior Subordinated Term Loan that MacAndrews & Forbes contributed to Revlon.

Revlon may postpone giving effect to a Demand Registration for a period of up to 30 days if Revlon believes such registration might have a material adverse effect on any plan or proposal by Revlon with respect to any financing, acquisition, recapitalization, reorganization or other material transaction, or if Revlon is in possession of material non-public information that, if publicly disclosed, could result in a material disruption of a major corporate development or transaction then pending or in progress or could result in other material adverse consequences to Revlon. In addition, the Holders have the right to participate in registrations by Revlon of its Class A Common Stock (a "Piggyback Registration"). The Holders will pay all out-of-pocket expenses incurred in connection with any Demand Registration. Revlon will pay any expenses incurred in connection with a Piggyback Registration, except for underwriting discounts, commissions and expenses attributable to the shares of Class A Common Stock sold by such Holders.

**2020 Restated Line of Credit Facility**

See Note 8, "Debt," regarding the 2020 Restated Line of Credit Facility between Products Corporation and MacAndrews & Forbes Group, LLC.

**Other**

Certain of Products Corporation’s debt obligations, including the 2016 Credit Agreements and Products Corporation's Senior Notes, have been, and may in the future be, supported by, among other things, guarantees from all of Products Corporation's domestic subsidiaries (subject to certain limited exceptions) and, for the 2016 Credit Agreements, guarantees from Revlon. The obligations under such guarantees are secured by, among other things, all of the capital stock of Products Corporation and, its domestic subsidiaries (subject to certain limited exceptions) and 66% of the capital stock of Products Corporation's and its domestic subsidiaries' first-tier foreign subsidiaries. See Note 8, "Debt," for a discussion of the terms of the 2016 Credit Agreements and Senior Notes.

During the year ended December 31, 2020 and 2019, the Company engaged several companies in which MacAndrews & Forbes had a controlling interest to provide the Company with various ordinary course business services. These services included processing approximately $32.6 million and $55.1 million of coupon redemptions for the Company's retail customers for the year ended December 31, 2020 and 2019, respectively, for which the Company incurred fees of approximately $0.9 million and $1.0 million for the year ended December 31, 2020 and 2019, respectively, and other similar advertising, coupon redemption and raw material supply services, for which the Company had net payables aggregating to approximately $0.3 million and $0.5 million for the year ended December 31, 2020 and 2019, respectively. As of December 31, 2020 and December 31, 2019, a payable balance of approximately $0.6 million and $5.5 million, respectively, were included in the Company's Consolidated Balance Sheet for the aforementioned coupon redemption services. The Company believes that its engagement of each of these affiliates was on arm's length terms, taking into account each firm's expertise in its respective field, and that the fees paid or received were at least as favorable as those available from unaffiliated parties.

As previously disclosed by the Company, the Company took several organizational measures in response to COVID-19 in 2020, including instituting salary reductions for members of the Company’s Executive Leadership Team. Also, as previously disclosed by the Company, in the third quarter, the salary reductions for members of the Company’s Executive Leadership Team were partially adjusted.

Also in connection with such COVID-19 organizational measures, in March 2020, the Company agreed in writing with each of Ms. Mitra Hormozi and Mr. E. Scott Beattie, a member of the Board of Directors of the Company, that, effective April 1, 2020, their provision of advisory services to the Company was suspended, and payment of their consulting fees was also suspended. In connection with Ms. Hormozi’s resignation from the Board in July 2020, the Company and Ms. Hormozi terminated her Consulting Agreement, dated as of November 7, 2019, as amended.

As previously disclosed in the Company’s 2019 Form 10-K, prior to this suspension of services and payments, in March 2020, the Company and Mr. Beattie entered into an Amended and Restated Consulting Agreement (the “2020 Consulting Agreement”), pursuant to which he was scheduled to serve as Senior Advisor to the Company’s CEO for an additional year, subject to automatic 1-year renewals, unless either party elects not to renew, and subject to certain standard termination rights, in consideration for which, the Company would pay Mr. Beattie a fee of $250,000 per year, supplemental to the Board’s compensation program for non-employee directors. The foregoing description of the 2020 Consulting Agreement is qualified in its entirety by reference to the full text of such agreement, a copy of which was filed with the SEC on March 12, 2020 together with the Company’s 2019 Form 10-K.

On January 1, 2021, the Company reinstated Mr. Beattie’s advisory services and payment of his consulting fees and extended the term of his 2020 Consulting Agreement to March 31, 2021.

On March 10, 2021, the Company and Mr. Beattie entered into an Amendment to the 2020 Consulting Agreement, effective April 1, 2021, pursuant to which he will continue to provide advisory services to the Company until April 1, 2022 (the “Term”). As compensation for Mr. Beattie’s advisory services during the Term, the Company shall grant him restricted stock units (the “RSUs”) equivalent in value to the fee set forth in the 2020 Consulting Agreement, which shall vest in accordance with the terms of the Amendment to the 2020 Consulting Agreement. The foregoing description of the Amendment to the 2020 Consulting Agreement is qualified in its entirety by reference to the full text of such agreement, a copy of which is incorporated by reference into this Form 10-K as Exhibit 10.20.

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

## 20. PRODUCTS CORPORATION AND SUBSIDIARIES GUARANTOR FINANCIAL INFORMATION

Products Corporation's 5.75% Senior Notes and 6.25% Senior Notes are fully and unconditionally guaranteed on a senior basis by certain of Products Corporation's direct and indirect wholly-owned domestic subsidiaries (the "5.75% Senior Notes Guarantors" and the "6.25% Senior Notes Guarantors," respectively, and together the "Guarantor Subsidiaries"). As of December 31, 2020, there were no notes outstanding related to the 5.75% Senior Notes. For further information, please see Note 8, "Debt".

The following Condensed Consolidating Financial Statements present the financial information as of December 31, 2020 and December 31, 2019, and for each of the years ended December 31, 2020 and 2019 for (i) Products Corporation on a stand-alone basis; (ii) the Guarantor Subsidiaries on a stand-alone basis; (iii) the subsidiaries of Products Corporation that do not guarantee Products Corporation's 5.75% Senior Notes and 6.25% Senior Notes (the "Non-Guarantor Subsidiaries") on a stand-alone basis; and (iv) Products Corporation, the Guarantor Subsidiaries and the Non-Guarantor Subsidiaries on a consolidated basis. The Condensed Consolidating Financial Statements are presented on the equity method, under which the investments in subsidiaries are recorded at cost and adjusted to the applicable share of the subsidiary's cumulative results of operations, capital contributions, distributions and other equity changes. The principal elimination entries eliminate investments in subsidiaries and intercompany balances and transactions.

**Products Corporation and Subsidiaries Condensed Consolidating Balance Sheets**

**As of December 31, 2020**

| | Products Corporation | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 5.5 | $ 2.5 | $ 89.1 | $ — | $ 97.1 |
| Trade receivables, less allowances for doubtful accounts | 86.0 | 95.7 | 170.6 | — | 352.3 |
| Inventories, net | 121.3 | 147.7 | 193.6 | — | 462.6 |
| Prepaid expenses and other | 220.6 | 24.6 | 55.3 | — | 300.5 |
| Intercompany receivables | 3,592.2 | 3,549.6 | 614.1 | (7,755.9) | — |
| Investment in subsidiaries | 1,653.6 | 2.3 | — | (1,655.9) | — |
| Property, plant and equipment, net | 178.5 | 72.1 | 101.4 | — | 352.0 |
| Deferred income taxes | — | 10.6 | 23.5 | — | 34.1 |
| Goodwill | 48.9 | 264.0 | 250.8 | — | 563.7 |
| Intangible assets, net | 10.0 | 187.8 | 233.0 | — | 430.8 |
| Other assets | 67.9 | 9.3 | 31.9 | — | 109.1 |
| Total assets | $ 5,984.5 | $ 4,366.2 | $ 1,763.3 | $ (9,411.8) | $ 2,702.2 |
| **LIABILITIES AND STOCKHOLDER'S DEFICIENCY** | | | | | |
| Short-term borrowings | $ — | $ — | $ 2.5 | $ — | $ 2.5 |
| Current portion of long-term debt | 159.2 | — | 58.3 | — | 217.5 |
| Accounts payable | 72.5 | 48.0 | 82.8 | — | 203.3 |
| Accrued expenses and other | 144.1 | 61.7 | 217.4 | — | 423.2 |
| Intercompany payables | 3,897.1 | 3,162.0 | 696.6 | (7,755.7) | — |
| Long-term debt | 3,104.7 | — | 0.3 | — | 3,105.0 |
| Other long-term liabilities | 377.3 | 33.8 | 42.6 | — | 453.7 |
| Total liabilities | 7,754.9 | 3,305.5 | 1,100.5 | (7,755.7) | 4,405.2 |
| Stockholder's (deficiency) equity | (1,770.4) | 1,060.7 | 662.8 | (1,656.1) | (1,703.0) |
| Total liabilities and stockholder's (deficiency) equity | $ 5,984.5 | $ 4,366.2 | $ 1,763.3 | $ (9,411.8) | $ 2,702.2 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

**Products Corporation and Subsidiaries Condensed Consolidating Balance Sheets**

**As of December 31, 2019**

| | Products Corporation | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 0.8 | $ 6.4 | $ 97.1 | $ — | $ 104.3 |
| Trade receivables, less allowances for doubtful accounts | 95.5 | 92.3 | 235.6 | — | 423.4 |
| Inventories, net | 131.0 | 151.5 | 165.9 | — | 448.4 |
| Prepaid expenses and other | 219.7 | 26.4 | 46.5 | — | 292.6 |
| Intercompany receivables | 2,857.7 | 2,854.6 | 452.7 | (6,165.0) | — |
| Investment in subsidiaries | 1,598.3 | 30.7 | — | (1,629.0) | — |
| Property, plant and equipment, net | 208.7 | 89.5 | 110.4 | — | 408.6 |
| Deferred income taxes | 165.0 | (37.8) | 30.9 | — | 158.1 |
| Goodwill | 159.9 | 264.0 | 249.8 | — | 673.7 |
| Intangible assets, net | 13.0 | 346.9 | 130.8 | — | 490.7 |
| Other assets | 67.8 | 16.2 | 37.1 | — | 121.1 |
| Total assets | $ 5,517.4 | $ 3,840.7 | $ 1,556.8 | $ (7,794.0) | $ 3,120.9 |
| **LIABILITIES AND STOCKHOLDER'S DEFICIENCY** | | | | | |
| Short-term borrowings | $ — | $ — | $ 2.2 | $ — | $ 2.2 |
| Current portion of long-term debt | 287.9 | — | 0.1 | — | 288.0 |
| Accounts payable | 108.4 | 39.9 | 103.5 | — | 251.8 |
| Accrued expenses and other | 124.1 | 70.0 | 224.1 | — | 418.2 |
| Intercompany payables | 3,030.3 | 2,668.7 | 466.0 | (6,165.0) | — |
| Long-term debt | 2,822.2 | — | 84.0 | — | 2,906.2 |
| Other long-term liabilities | 220.4 | 118.2 | 5.3 | — | 343.9 |
| Total liabilities | 6,593.3 | 2,896.8 | 885.2 | (6,165.0) | 4,210.3 |
| Stockholder's (deficiency) equity | (1,075.9) | 943.9 | 671.6 | (1,629.0) | (1,089.4) |
| Total liabilities and stockholder's (deficiency) equity | $ 5,517.4 | $ 3,840.7 | $ 1,556.8 | $ (7,794.0) | $ 3,120.9 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

**Products Corporation and Subsidiaries Condensed Consolidating Statement of Operations and Comprehensive (Loss) Income**

| Year Ended December 31, 2020 | Products Corporation | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
|---|---|---|---|---|---|
| Net Sales | $ 433.8 | $ 523.0 | $ 947.5 | $ — | $ 1,904.3 |
| Cost of sales | 213.4 | 273.7 | 373.4 | — | 860.5 |
| Gross profit | 220.4 | 249.3 | 574.1 | — | 1,043.8 |
| Selling, general and administrative expenses | 363.0 | 234.0 | 467.6 | — | 1,064.6 |
| Acquisition, integration and divestiture costs | 4.8 | — | 0.2 | — | 5.0 |
| Restructuring charges and other, net | 23.7 | 11.2 | 14.8 | — | 49.7 |
| Impairment charges | 112.1 | 22.0 | 10.0 | — | 144.1 |
| Gain on divested assets | (0.5) | — | — | — | (0.5) |
| Operating (loss) income | (282.7) | (17.9) | 81.5 | — | (219.1) |
| Other (income) expense: | | | | | |
| Intercompany interest, net | (3.6) | 2.3 | 1.3 | — | — |
| Interest expense | 236.8 | — | 6.5 | — | 243.3 |
| Amortization of debt issuance costs | 26.8 | — | — | — | 26.8 |
| Gain on early extinguishment of debt | (43.1) | — | — | — | (43.1) |
| Foreign currency losses, net | 5.2 | 0.3 | (11.5) | — | (6.0) |
| Miscellaneous, net | (3.1) | (89.4) | 105.4 | — | 12.9 |
| Other expense (income), net | 219.0 | (86.8) | 101.7 | — | 233.9 |
| Loss from continuing operations before income taxes | (501.7) | 68.9 | (20.2) | — | (453.0) |
| Provision for (benefit from) for income taxes | 174.5 | (44.9) | 10.9 | — | 140.5 |
| Loss from continuing operations, net of taxes | (676.2) | 113.8 | (31.1) | — | (593.5) |
| Equity in (loss) income of subsidiaries | 88.3 | (29.0) | — | (59.3) | — |
| Net (loss) income | $ (587.9) | $ 84.8 | $ (31.1) | $ (59.3) | $ (593.5) |
| Other comprehensive (loss) income | (30.5) | (4.7) | 5.0 | (0.3) | (30.5) |
| Total comprehensive (loss) income | $ (618.4) | $ 80.1 | $ (26.1) | $ (59.6) | $ (624.0) |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

**Products Corporation and Subsidiaries Condensed Consolidating Statement of Operations and Comprehensive (Loss) Income**

| | Year Ended December 31, 2019 | | | | |
|---|---|---|---|---|---|
| | Products Corporation | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
| Net Sales | $ 590.1 | $ 622.1 | $ 1,210.8 | $ (3.4) | $ 2,419.6 |
| Cost of sales | 282.6 | 306.5 | 466.5 | (3.4) | 1,052.2 |
| Gross profit | 307.5 | 315.6 | 744.3 | — | 1,367.4 |
| Selling, general and administrative expenses | 430.6 | 331.9 | 546.2 | — | 1,308.7 |
| Acquisition, integration and divestiture costs | 0.7 | 0.1 | 3.1 | — | 3.9 |
| Restructuring charges and other, net | 3.3 | 4.0 | 5.5 | — | 12.8 |
| Gain on divested assets | — | — | (26.6) | — | (26.6) |
| Operating (loss) income | (127.1) | (20.4) | 216.1 | — | 68.6 |
| Other (income) expenses: | | | | | |
| Intercompany interest, net | (4.3) | 2.6 | 1.7 | — | — |
| Interest expense | 189.5 | — | 7.1 | — | 196.6 |
| Amortization of debt issuance costs | 14.6 | — | — | — | 14.6 |
| Foreign currency losses, net | (0.6) | (1.2) | (0.1) | — | (1.9) |
| Miscellaneous, net | (31.6) | (36.3) | 84.3 | — | 16.4 |
| Other expense (income), net | 167.6 | (34.9) | 93.0 | — | 225.7 |
| (Loss) income from continuing operations before income taxes | (294.7) | 14.5 | 123.1 | — | (157.1) |
| (Benefit from) provision for income taxes | (55.6) | 40.8 | 16.4 | — | 1.6 |
| (Loss) income from continuing operations, net of taxes | (239.1) | (26.3) | 106.7 | — | (158.7) |
| Income from discontinued operations, net of taxes | — | — | 7.5 | — | 7.5 |
| Equity in income (loss) of subsidiaries | 144.5 | 19.0 | — | (163.5) | — |
| Net (loss) income | $ (94.6) | $ (7.3) | $ 114.2 | $ (163.5) | $ (151.2) |
| Other comprehensive income (loss) | (13.3) | (6.9) | 1.3 | 5.7 | (13.2) |
| Total comprehensive (loss) income | $ (107.9) | $ (14.2) | $ 115.5 | $ (157.8) | $ (164.4) |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

**Products Corporation and Subsidiaries Condensed Consolidating Statements of Cash Flows**

**Year Ended December 31, 2020**

| | Products Corporation | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | | | |
| Net cash (used in) provided by operating activities | $ (91.4) | $ — | $ (5.9) | $ — | $ (97.3) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | | | |
| Net cash used in investing activities | (7.7) | (0.3) | (2.3) | — | (10.3) |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | | | | |
| Net increase (decrease) in short-term borrowings and overdraft | 4.6 | (0.4) | 0.1 | — | 4.3 |
| Borrowings under the 2020 BrandCo Facilities | 880.0 | — | — | — | 880.0 |
| Repurchases of the 5.75% Senior Notes | (281.4) | — | — | — | (281.4) |
| Net borrowings (repayments) under the Amended 2016 Revolving Credit Facility | (133.5) | — | — | — | (133.5) |
| Net borrowings (repayments) under the 2019 Term Loan Facility (a) | (200.0) | — | — | — | (200.0) |
| Repayments under the 2018 Foreign Asset-Based Term Loan | (31.4) | — | — | — | (31.4) |
| Repayments under the 2016 Term Loan Facility | (11.5) | — | — | — | (11.5) |
| Payment of financing costs | (122.7) | — | 0.7 | — | (122.0) |
| Tax withholdings related to net share settlements of restricted stock and RSUs | (1.7) | — | — | — | (1.7) |
| Other financing activities | (0.1) | (0.1) | (0.1) | — | (0.3) |
| Net cash provided by (used in) financing activities | 102.3 | (0.5) | 0.7 | — | 102.5 |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | 2.4 | 2.1 | (1.4) | — | 3.1 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 5.6 | 1.3 | (8.9) | — | (2.0) |
| Cash, cash equivalents and restricted cash at beginning of period | $ 1.0 | $ 6.4 | $ 97.2 | $ — | $ 104.5 |
| Cash, cash equivalents and restricted cash at end of period | $ 6.6 | $ 7.7 | $ 88.3 | $ — | $ 102.5 |

(except where otherwise noted, all tabular amounts in millions, except share and per share amounts)

**Products Corporation and Subsidiaries Condensed Consolidating Statements of Cash Flows**

**Year Ended December 31, 2019**

| | Products Corporation | Guarantor Subsidiaries | Non-Guarantor Subsidiaries | Eliminations | Consolidated |
|---|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES:** | | | | | |
| Net cash (used in) provided by operating activities | $ (83.9) | $ 1.9 | $ 13.7 | $ — | $ (68.3) |
| **CASH FLOWS FROM INVESTING ACTIVITIES:** | | | | | |
| Net cash used in investing activities | (17.1) | (2.0) | 21.2 | — | 2.1 |
| **CASH FLOWS FROM FINANCING ACTIVITIES:** | | | | | |
| Net increase (decrease) in short-term borrowings and overdraft | (7.1) | (3.7) | (6.5) | — | (17.3) |
| Net borrowings (repayments) under the Amended 2016 Revolving Credit Facility | (62.6) | — | — | — | (62.6) |
| Net borrowings (repayments) under the 2019 Term Loan Facility (a) | 200.0 | — | — | — | 200.0 |
| Repayments under the 2016 Term Loan Facility | (18.0) | — | — | — | (18.0) |
| Payments of financing costs | (15.3) | — | — | — | (15.3) |
| Tax withholdings related to net share settlements of restricted stock and RSUs | (1.6) | — | — | — | (1.6) |
| Other financing activities | (0.6) | (0.1) | (0.2) | — | (0.9) |
| Net cash provided by (used in) financing activities | 94.8 | (3.8) | (6.7) | — | 84.3 |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | — | 3.7 | (4.8) | — | (1.1) |
| Net decrease in cash, cash equivalents and restricted cash | (6.3) | (0.2) | 23.6 | — | 17.0 |
| Cash, cash equivalents and restricted cash at beginning of period | $ 7.3 | $ 6.6 | $ 73.6 | $ — | 87.5 |
| Cash, cash equivalents and restricted cash at end of period | $ 1.0 | $ 6.4 | $ 97.2 | $ — | $ 104.5 |

## 21. SUBSEQUENT EVENTS

***2021 Foreign Asset-Based Term Facility***

On March 2, 2021 (the "2021 ABTL Closing Date"), Revlon Finance LLC (the "ABTL Borrower"), a wholly owned indirect subsidiary of Revlon Consumer Products Corporation ("Products Corporation"), certain foreign subsidiaries of Products Corporation party thereto as guarantors, the lenders party thereto and Blue Torch Finance LLC, as administrative agent and collateral agent (the "ABTL Agent"), entered into an Asset-Based Term Loan Credit Agreement (the "2021 Foreign Asset-Based Term Agreement", and the term loan facility thereunder, the "2021 Foreign Asset-Based Term Facility").

*Principal and Maturity*: The 2021 Foreign Asset-Based Term Facility provides for a U.S. dollar-denominated senior secured asset-based term loan facility in an aggregate principal amount of $75 million, the full amount of which was funded on the closing of the facility. On the 2021 ABTL Closing Date, approximately $7.5 million of the proceeds of the 2021 Foreign Asset-Based Term Facility were deposited in an escrow account by the ABTL Agent pending completion of certain post-closing perfection actions with respect to certain foreign real property of the guarantors constituting collateral securing the 2021 Foreign Asset-Based Term Facility. The 2021 Foreign Asset-Based Term Facility has an uncommitted incremental facility pursuant to which it may be increased from time to time by up to the amount of the borrowing base in effect at the time such incremental facility is incurred, subject to certain conditions and the agreement of the lenders providing such increase. The proceeds of the loans under the 2021 Foreign Asset-Based Term Facility were used (i) to repay in full the obligations under the Asset-Based Term Loan Credit Agreement, dated as of July 9, 2018, as amended, among the ABTL Borrower, the other subsidiaries of Products Corporation party thereto, the lenders party thereto and Citibank, N.A., as administrative agent and collateral agent (the "ABTL Refinancing"), (ii) to pay fees and expenses in connection with the 2021 Foreign Asset-Based Term Facility and the ABTL Refinancing and (iii) for working capital and other general corporate purposes. The 2021 Foreign Asset-Based Term Facility matures on March 2, 2024, subject to a springing maturity date of August 1, 2023 if, on such date, any principal amount of loans under the 2016 Term Loan Agreement due September 7, 2023 remain outstanding.

The 2021 Foreign Asset-Based Term Agreement requires the maintenance of a borrowing base supporting the borrowing thereunder, to be evidenced with the delivery of biweekly borrowing base certificates customary for facilities of this type, with more frequent reporting required upon the triggering of certain events. The borrowing base calculation under the 2021 Foreign Asset-Based Term Facility is based on the sum of: (i) 80% of eligible accounts receivable; (ii) 65% of the net orderly liquidation value of eligible finished goods inventory; and (iii) 45% of the mortgage value of eligible real property, in each case with respect to certain of Products Corporation's subsidiaries organized in Australia, Bermuda, Germany, Italy, Spain and Switzerland (the "ABTL Borrowing Base Guarantors"). The borrowing bases in each jurisdiction are subject to certain customary availability reserves set by the ABTL Agent.

*Guarantees and Security*: The 2021 Foreign Asset-Based Term Facility is guaranteed by the Borrowing Base Guarantors, as well as by the direct parent entities of each ABTL Borrowing Base Guarantor (not including Revlon, Inc. or Products Corporation) on a limited recourse basis (the "ABTL Parent Guarantors") and by certain subsidiaries of Products Corporation organized in Mexico (the "ABTL Other Guarantors" and, together with the ABTL Borrower and the ABTL Borrowing Base Guarantors, the "ABTL Loan Parties"). The obligations of the ABTL Loan Parties and the ABTL Parent Guarantors under the 2021 Foreign Asset-Based Term Facility are secured by first-ranking pledges of the equity of each ABTL Loan Party (other than the Other Guarantors), the inventory and accounts receivable of the ABTL Borrowing Base Guarantors, the material bank accounts of each Loan Party, the material intercompany indebtedness owing to any Loan Party (including any intercompany loans made with the proceeds of the 2021 Foreign Asset-Based Term Facility) and certain other material assets of the ABTL Borrowing Base Guarantors, subject to customary exceptions and exclusions. The 2021 Foreign Asset-Based Term Facility includes a cash dominion feature customary for transactions of this type.

*Interest and Fees*: Interest is payable on each interest payment date as set forth in the 2021 Foreign Asset-Based Term Agreement, and in any event at least quarterly, and accrues on borrowings under the 2021 Foreign Asset-Based Term Facility at a rate per annum equal to the LIBOR rate, with a floor of 1.50%, plus an applicable margin equal to 8.50%. The ABTL Borrower is obligated to pay certain fees and expenses in connection with the 2021 Foreign Asset-Based Term Facility, including a fee payable to Blue Torch Finance LLC for its services as Agent. Loans under the 2021 Foreign Asset-Based Term Facility may be prepaid without premium or penalty, subject to a prepayment premium equal to 3.0% of the aggregate principal amount of loans prepaid or repaid during the first year after the 2021 ABTL Closing Date, 2.0% of the aggregate principal amount of loans prepaid or repaid during the second year after the 2021 ABTL Closing Date and 1.0% of the aggregate principal amount of loans prepaid or repaid thereafter.

*Affirmative and Negative Covenants*: The 2021 Foreign Asset-Based Term Agreement contains certain affirmative and negative covenants that, among other things, limit the ABTL Loan Parties' ability to, subject to various exceptions and qualifications: (i) incur additional debt; (ii) incur liens; (iii) sell, transfer or dispose of assets; (iv) make investments; (v) make dividends and distributions on, or repurchases of, equity; (vi) make prepayments of contractually subordinated or junior lien debt; (vii) enter into certain transactions with their affiliates, including amending certain material intercompany agreements or trade terms; (viii) enter into sale-leaseback transactions; (ix) change their lines of business; (x) restrict dividends from their subsidiaries or restrict liens; (xi) change their fiscal year; and (xii) modify the terms of certain debt. The ABTL Parent Guarantors are subject to certain customary holding company covenants. The ability of the Loan Parties to make certain intercompany asset sales, investments, restricted payments and prepayments of intercompany debt is contingent on certain "cash movement conditions" or "payment conditions" being met, which among other things, require a certain level of liquidity for the applicable Loan Party to effect such type of transactions. The 2021 Foreign Asset-Based Term Agreement also contains a financial covenant requiring the ABTL Loan Parties to maintain a minimum average balance of cash and cash equivalents of $3.5 million, tested monthly, based on the last 10 business days of each month, subject to certain cure rights. The 2021 Foreign Asset-Based Term Agreement also contains certain customary representations, warranties and events of default.

*Prepayments*: The ABTL Borrower must prepay loans under the 2021 Foreign Asset-Based Term Facility to the extent that outstanding loans exceed the borrowing base. In lieu of a mandatory prepayment, the Loan Parties may deposit cash into a designated U.S. bank account with the ABTL Agent that is subject to a control agreement (such cash, the "Qualified Cash"). If an event of default occurs and is continuing, the Qualified Cash may be applied, at the ABTL Agent's option, to prepay the loans under the 2021 Foreign Asset-Based Term Facility. If the borrowing base subsequently exceeds the outstanding loans, the ABTL Borrower can withdraw Qualified Cash from such bank account to the extent of such excess. In addition, the 2021 Foreign Asset-Based Term Facility is subject to mandatory prepayments from the net proceeds from the incurrence by the Loan Parties of debt not permitted thereunder.

As a result of the ABTL Refinancing and the closing of the 2021 Asset-Based Term Facility without the participation of M&F as a lender, M&F's commitment in respect of the New European ABL FILO Facility under the 2020 Restated Line of Credit Facility terminated on the ABTL Closing Date in accordance with its terms (see "Financial Condition, Liquidity and Capital Resources - Amended 2016 Revolving Credit Agreement and 2018 Foreign Asset-Based Term Facility" in Item 7 of this Form 10-K and Note 8, "Debt," to the Company's Consolidated Financial Statements in this Form 10-K).

***Amendment No. 7 to Amended 2016 Revolving Credit Agreement***

On March 8, 2021, Products Corporation entered into Amendment No. 7 to the Amended 2016 Revolving Credit Agreement ("Amendment No. 7"). Amendment No. 7, will, among other things, make certain amendments pursuant to which (i) the maturity date applicable to the "Tranche A" revolving loans under the Amended 2016 Revolving Credit Agreement will be extended from September 7, 2021 to June 8, 2023, (ii) the commitments under the "Tranche A" revolving facility will be reduced from $400 million to $300 million and (iii) a new $100 million senior secured second-in, second-out term loan facility maturing June 8, 2023 (the "SISO Facility") will be established and Products Corporation will borrow $100 million of term loans thereunder. The funding date of Amendment No. 7 is expected to occur on or about March 11, 2021. Except as to pricing, maturity, enforcement priority and certain voting rights, the terms of the SISO Facility are substantially consistent with the first-in, last-out "Tranche B" term loan facility under the Amended 2016 Revolving Credit Agreement, including as to guarantees and collateral.

Term loans under the SISO Facility will accrue interest at the LIBOR rate, subject to a floor of 1.75%, plus a margin of 5.75%. In addition, Amendment No. 7 will increase the interest rate margin applicable to the "Tranche A" revolving loans by 0.50% to a range of 2.50% to 3.0%, depending on average excess revolving availability. Products Corporation will pay certain customary fees to Citibank, N.A. and the lenders under the Amended 2016 Revolving Credit Facility in connection with Amendment No. 7.

***Citibank Litigation***

In the matter captioned *In re Citibank August 11, 2020 Wire Transfers*, No. 20-cv-06539-JMF (S.D.N.Y. Feb. 16, 2021) (the "Citi Decision"), the United States District Court for the Southern District of New York held that certain wire transfers mistakenly paid by Citibank, N.A. ("Citi") from its own funds on August 11, 2020 to holders of term loans issued to Revlon under a Term Credit Agreement dated as of September 7, 2016 (as amended, the "2016 Facility") were final and complete transactions not subject to revocation. The wire payments at issue were made to all lenders under the 2016 Facility in amounts equaling the principal and interest outstanding on the loans at that time. Certain lenders that received the payments returned the

funds soon after the mistaken transfer, but holders of approximately $504 million did not, and as a result of the Citi Decision those lenders are entitled to keep the funds in discharge of their debt.

Citi has appealed the Citi Decision. Citi has also asserted subrogation rights, but, as yet, there has been no determination of those rights (if any) under the 2016 Facility and Revlon has not taken a position on this issue. In these circumstances, it is the current intention of the Company to continue to make the scheduled payments under the 2016 Facility as if the full amount of the 2016 Facility remains outstanding.

**Item 16. Form 10-K Summary**

None.

**S I G N A T U R E S**

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

Dated: March 11, 2021

**Revlon, Inc.**
(Registrant)

| | | |
|---|---|---|
| By: /s/ Debra Perelman | By: /s/ Victoria Dolan | By: /s/ Pamela Bucher |
| Debra Perelman<br>President, Chief Executive Officer & Director | Victoria Dolan<br>Chief Financial Officer | Pamela Bucher<br>Vice President,<br>Chief Accounting Officer<br>& Controller |

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of Revlon, Inc. on March 11, 2021 and in the capacities indicated.

| Signature | Title |
|---|---|
| * | Chairman of the Board and Director |
| (Ronald O. Perelman) | |
| * | Vice Chairman of the Board and Director |
| (E. Scott Beattie) | |
| * | Director |
| (Alan S. Bernikow) | |
| * | Director |
| (Kristin Dolan) | |
| * | Director |
| (Ceci Kurzman) | |
| * | Director |
| (Victor Nichols) | |
| * | President, Chief Executive Officer and Director |
| (Debra G. Perelman) | |
| * | Director |
| (Barry F. Schwartz) | |
| * | Director |
| (Cristiana Falcone) | |

* Grace Fu, by signing her name hereto, does hereby sign this report on behalf of the directors of the registrant above whose typed names asterisks appear, pursuant to powers of attorney duly executed by such directors and filed with the Securities and Exchange Commission.

By: /s/ Grace Fu
Grace Fu
Attorney-in-fact

**Revlon Consumer Products Corporation**
(Registrant)

| By: /s/ Debra Perelman | By: /s/ Victoria Dolan | By: /s/ Pamela Bucher |
|---|---|---|
| Debra Perelman<br>President, Chief Executive Officer & Director | Victoria Dolan<br>Chief Financial Officer | Pamela Bucher<br>Vice President,<br>Chief Accounting Officer<br>& Controller |

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of Revlon Consumer Products Corporation on March 11, 2021 and in the capacities indicated.

| Signature | Title |
|---|---|
| * | Chairman of the Board and Director |
| (Ronald O. Perelman) | |
| * | Director |
| (Alan S. Bernikow) | |
| * | Director |
| (Ceci Kurzman) | |
| * | President, Chief Executive Officer and Director |
| (Debra G. Perelman) | |
| * | Director |
| (Barry F. Schwartz) | |

* Grace Fu, by signing her name hereto, does hereby sign this report on behalf of the directors of the registrant above whose typed names asterisks appear, pursuant to powers of attorney duly executed by such directors and filed with the Securities and Exchange Commission.

By: /s/ Grace Fu
Grace Fu
Attorney-in-fact

**AMENDMENT NO. 7**, dated as of March 8, 2021 (this "***Amendment***"), among REVLON CONSUMER PRODUCTS CORPORATION, a Delaware corporation (the "***Borrower***"), Holdings, the other Loan Parties, the Consenting Lenders (as defined below) party hereto, the SISO Term Lenders (as defined below) party hereto, each Issuing Lender and CITIBANK, N.A., as Administrative Agent, Collateral Agent, Issuing Lender, Local Fronting Lender and Swingline Lender ("***Citi***").

WHEREAS, the Borrower, the Local Borrowing Subsidiaries from time to time party thereto, REVLON, INC., a Delaware corporation, the Lenders from time to time party thereto, and Citi, have entered into that certain Asset-Based Revolving Credit Agreement dated as of September 7, 2016 (as amended and restated by that certain Amendment No. 1, dated as of April 17, 2018, as further amended and restated by that certain Amendment No. 2 dated as of March 6, 2019, as further amended and restated by that certain Amendment No. 3 dated as of April 17, 2020, as further amended and restated by that certain Amendment No. 4 dated as of May 7, 2020, as further amended and restated by that certain Amendment No. 5 dated as of October 23, 2020, as further amended by that certain Limited Waiver to Credit Agreement, dated as of November 27, 2020, as further amended by that certain Second Limited Waiver to Credit Agreement, dated as of December 11, 2020, and as further amended and restated by that certain Amendment No. 6 dated as of December 21, 2020, among the Borrower, Holdings, Citibank, N.A., as Administrative Agent, Collateral Agent, Issuing Lender and Swingline Lender and the certain Lenders party thereto, and as further amended, restated, amended and restated, waived, supplemented or otherwise modified prior to the date hereof, the "***Existing Credit Agreement***" and the Existing Credit Agreement as amended hereby, the "***Amended Credit Agreement***");

WHEREAS, the Borrower desires to amend and restate the Existing Credit Agreement (a) to permit the incurrence of a second in, second out term facility (the "***SISO Term Facility***", and the loans thereunder, the "***SISO Term Loans***", and the commitments thereunder, the "***SISO Term Commitments***") comprised of term loans in an aggregate principal amount not to exceed $100,000,000 pursuant to Section 2.4(a)(i)(B) of the Amended Credit Agreement, which net cash proceeds (net of any original issue discount, fees or expenses to be paid in connection with the funding of the SISO Term Loans and this Amendment) shall be used to prepay a portion of the outstanding Tranche A Revolving Loans (the "***Tranche A Prepayment***") and permanently terminate $100,000,000 of the Tranche A Revolving Commitments outstanding under the Existing Credit Agreement (the "***Tranche A Commitment Reduction***") such that the Tranche A Revolving Commitments outstanding under the Amended Credit Agreement on the Amendment No. 7 Amendment Date (as defined below) shall be reduced to $300,000,000, (b) to extend the Revolving Termination Date with respect to the Tranche A Revolving Facility pursuant to Section 2.26 of the Amended Credit Agreement, (c) to increase the Applicable Margin with respect to the Tranche A Revolving Facility, (d) to make certain other amendments to the Existing Credit Agreement (including Schedule 2.1) (such amendments to the Existing Credit Agreement, collectively, the "***ABL SISO Amendments***", and together with the Security Agreement SISO Amendments (as defined below), the " ***SISO Amendments***") and (e) after giving effect to the SISO Amendments, to incur the SISO Term Loans;

WHEREAS, the Borrower desires to amend the Guarantee and Collateral Agreement (such amendments collectively, the "***Security Agreement SISO Amendments***") in connection with the ABL SISO Amendments to provide for payment priorities among the Tranche A Revolving Loans, the SISO Term Loans and the Tranche B Term Loans;

WHEREAS, the Borrower, Holdings, each other Loan Party and each of the Tranche A Revolving Lenders party to the Existing Credit Agreement that are party hereto (each such Lender, a "***Consenting Lender***" and collectively, the "***Consenting Lenders***") has agreed to the SISO Amendments, and each of the Lenders with respect to the SISO Term Facility as set forth on Schedule 2.1 attached hereto (each such Lender, a "***SISO Term Lender***", and collectively, the "***SISO Term Lenders***"), has agreed to establish the SISO Term Loans on the terms and subject to the conditions set forth herein;

WHEREAS, each of the Administrative Agent, each Issuing Lender, each Local Fronting Lender and the Swingline Lender have agreed to the SISO Amendments on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

**Section 1. Amendments and Consent.**

(a) On the terms and subject to the satisfaction (or waiver) of the conditions set forth in Section 5(a) and (b) hereof, the Existing Credit Agreement is, effective as of the Amendment No. 7 Amendment Date, hereby amended to delete the stricken text (indicated textually in the same manner as the following sample: ~~stricken text~~) and to add the underlined text (indicated textually in the same manner as the following example: double underlined text), in each case, as set forth in the Amended Credit Agreement attached as Annex A hereto.

(b) Schedule 2.1 to the Existing Credit Agreement is, effective as of the Amendment No. 7 Amendment Date, hereby amended and restated in its entirety to read as set forth in Annex B hereto.

(c) The Guarantee and Collateral Agreement is, effective as of the Amendment No. 7 Amendment Date, hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the underlined text (indicated textually in the same manner as the following example: double-underlined text), in each case, as set forth in the amended Guarantee and Collateral Agreement attached as Annex C hereto.

(d) Exhibit D to the Existing Credit Agreement is, effective as of the Amendment No. 7 Amendment Date, hereby amended and restated as set forth in the amended Exhibit D attached as Annex D hereto.

**Section 2. Interpretation**

. For purposes of this Amendment, all terms used herein which are not otherwise defined herein, including but not limited to those terms used in the recitals hereto, shall have the respective meanings assigned thereto in the Amended Credit Agreement.

**Section 3. Representations and Warranties**

. In order to induce the Lenders party hereto to enter into this Amendment, Holdings and each Loan Party represents and warrants to each of the Lenders that as of the Amendment No. 7 Effective Date and Amendment No. 7 Amendment Date:

(a) Holdings and each Loan Party has the corporate or other organizational power and authority to execute and deliver this Amendment, and to perform its obligations under this Amendment, the Amended Credit Agreement and the other Loan Documents to which it is a party, including, in the case of the Borrower, the power and authority to borrow under the Amended Credit Agreement, and Holdings and each Loan Party has taken all necessary corporate or other action to authorize the execution and delivery of this Amendment, and performance of its obligations under, this Amendment, the Amended Credit Agreement and the other Loan Documents to which it is a party, including, in the case of the Borrower, the authorization of borrowings under the Amended Credit Agreement;

(b) the execution, delivery and performance of this Amendment by Holdings and each Loan Party (i) will not violate the organizational or governing documents of Holdings and each Loan Party, (ii) will not violate any Requirement of Law or Contractual Obligation binding on Holdings, the Borrower, any of its Restricted Subsidiaries or any Local Borrowing Subsidiary in any respect that would reasonably be expected to have a Material Adverse Effect, (iii) will not violate the terms governing the 2024 Notes, the Term Loan Documents or the Brandco Credit Agreement and (iv) will not result in, or require, the creation or imposition of any Lien (other than Permitted Liens) on any of the respective properties or revenues of the Loan Parties and Local Borrowing Subsidiaries pursuant to any such Requirement of Law or Contractual Obligation;

(c) this Amendment has been duly executed and delivered by Holdings and each Loan Party and this Amendment constitutes a legal, valid and binding obligation of Holdings and each Loan Party, enforceable against Holdings and each Loan Party in accordance with its terms, except as enforceability may be limited by applicable domestic or foreign bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and the implied covenants of good faith and fair dealing; and

(d) (i) both before and after giving effect to this Amendment, no Default or Event of Default exists and is continuing and (ii) all representations and warranties contained in the Existing Credit Agreement and in the other Loan Documents are true and correct in all material respects (or if qualified by materiality, in all respects) on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date,

in which case they were true and correct in all material respects (or if qualified by materiality, in all respects) as of such earlier date.

**Section 4. Fees.**

(a) On the Amendment No. 7 Amendment Date, the Borrower shall pay to the Administrative Agent, for the benefit of (i) each Tranche A Revolving Lender party hereto, an upfront fee (the "***Tranche A Upfront Fee***") equal to 1.00% of the aggregate principal amount of the Tranche A Revolving Commitments held by such Tranche A Revolving Lender on the Amendment No. 7 Amendment Date after giving effect to the Tranche A Commitment Reduction and (ii) each SISO Term Lender party hereto, an upfront fee (the "***SISO Upfront Fee***" and together with the Tranche A Upfront Fee, the "***Upfront Fees***") equal to 1.00% of the aggregate principal amount of the SISO Term Commitments held by such SISO Term Lender on the Amendment No. 7 Amendment Date. At the option of the Administrative Agent, the Tranche A Upfront Fee may be structured as original issue discount. At the option of each Tranche A Lender, each Tranche A Upfront Fee may be structured as original issue discount.

(b) The Upfront Fees shall be fully earned and payable on, and subject to the occurrence of, the Amendment No. 7 Amendment Date and will not be refundable under any circumstances. All such fees shall not be subject to reduction by way of setoff or counter claim. In addition, all such payments shall be made without deduction for any taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any taxing authority or will be grossed up by the Borrower for such amounts, provided, that the recipient of any such payment shall have provided applicable tax forms to establish any available exemptions from withholding. Each Consenting Lender and SISO Term Lender may share its fees hereunder with any of its affiliates.

**Section 5. Effectiveness.**

(a) This Amendment (other than Section 1 hereof) and the SISO Term Lenders commitments to provide the SISO Term Loans, on a several and not joint basis, as set forth on Annex E hereto shall become effective on the date (such date, the "***Amendment No. 7 Effective Date***") that the Administrative Agent shall have received (i) executed signature pages hereto from the Consenting Lenders constituting all Tranche A Revolving Lenders under the Existing Credit Agreement, the SISO Term Lenders, the Administrative Agent, each Issuing Lender, each Local Fronting Lender, the Swingline Lender, Holdings, the Borrower and each other Loan Party and (ii) the Agreement Among Lenders, executed and delivered by a duly authorized representative of each party thereto, and the Agreement Among Lenders shall be in full force and effect on the Amendment No. 7 Effective Date as reasonably acceptable to the Administrative Agent.

(b) Section 1 of this Amendment shall become effective on the date (such date, if any, the "***Amendment No. 7 Amendment Date***") that the following conditions have been satisfied:

(i) **Amendment No. 7 Effective Date**. The Amendment No. 7 Effective Date has occurred.

(ii) **Lien Searches**. The Administrative Agent shall have received the results of a recent lien search with respect to Holdings and each Loan Party reasonably satisfactory to the Administrative Agent.

(iii) **Legal Opinions**. The Administrative Agent shall have received an executed legal opinion of the following, in each case, in form and substance reasonably satisfactory to the Administrative Agent.

(1) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special New York counsel to Holdings and the Loan Parties,

(2) Akerman LLP, as special Florida counsel to Holdings and the Loan Parties,

(3) Lubin, Olson, & Niewiadomski LLP, as special California counsel to Holdings and the Loan Parties,

(4) Osler, Hoskin & Harcourt LLP, as special Canada counsel to Holdings and the Loan Parties,

(5) In-house counsel for Holdings and certain other Loan Parties, and

(6) Latham & Watkins LLP, special U.K. counsel to the Administrative Agent.

(iv) **Officer's Certificate**. The Administrative Agent shall have received a certificate from the Borrower, dated the Amendment No. 7 Amendment Date, substantially in the form of **Exhibit C** to the Existing Credit Agreement, *mutatis mutandis*;

(v) **Corporate Proceedings of Holdings and the Loan Parties**. The Administrative Agent shall have received a copy of the resolutions or equivalent action, in form and substance reasonably satisfactory to the Administrative Agent, of the Board of Directors of Holdings and each Loan Party authorizing, as applicable, the execution, delivery of this Amendment and the performance of this Amendment and the Amended Credit Agreement, certified by the Secretary, an Assistant Secretary or other authorized representatives of Holdings and each Loan Party as of the Amendment No. 7 Amendment Date, which certificate shall state that the resolutions or other action thereby certified have not been amended, modified (except as any later such resolution or other action may modify any earlier such resolution or other action), revoked or rescinded and are in full force and effect and, in respect of Elizabeth Arden (UK) Ltd only, confirm that the

guaranteeing or securing of the Secured Obligations would not cause any guarantee, security or similar limit binding on Holdings or any Loan Party to be exceeded.

(vi) **Incumbency Certificates of Holdings and the Loan Parties**. The Administrative Agent shall have received a certificate of Holdings and each Loan Party authorizing, as applicable, the execution, delivery and performance of this Amendment and the Amended Credit Agreement, dated the Amendment No. 7 Amendment Date, as to the incumbency and signature of the officers or other authorized signatories of Holdings and each Loan Party executing this Amendment executed by a Responsible Officer or other authorized representative and the Secretary, any Assistant Secretary or another authorized representative of Holdings and each Loan Party.

(vii) **Governing Documents**. The Administrative Agent shall have received copies of the certificate or articles of incorporation and by-laws (or other similar governing documents serving the purposes) of Holdings and each Loan Party, certified as of the Amendment No. 7 Amendment Date as complete and correct copies thereof by the Secretary, an Assistant Secretary or other authorized representative of Holdings and each Loan Party; provided that Holdings or the applicable Loan Party shall not be required to deliver any such copies to the extent the same have not been amended or otherwise modified since October 23, 2020 as certified by an authorized representative of the Borrower.

(viii) **Solvency**. The Administrative Agent shall have received a solvency certificate signed by the chief financial officer on behalf of the Borrower, substantially in the form of Exhibit G to the Existing Credit Agreement, after giving effect to the Amendment and the transactions contemplated hereby.

(ix) **Fees**. The Borrower shall have paid the fees payable pursuant to (a) the Fee Letter, dated as of February 10, 2021, by and between the Borrower and Citigroup Global Markets Inc. on the Amendment No. 7 Amendment Date and (b) Section 4 hereof.

(x) **Expenses**. The Borrower shall have paid or cause to be paid all fees and expenses required to be paid in accordance with Section 6 hereof.

(xi) **Patriot Act**. The Administrative Agent and the Consenting Lenders and the SISO Term Lenders shall have received at least two days prior to the Amendment No. 7 Amendment Date (as determined disregarding the satisfaction of the condition in this clause (x)) all documentation and other information requested by any Consenting Lender or SISO Term Lender no less than five days prior to the Amendment No. 7 Amendment Date (as determined disregarding the satisfaction of the condition in this clause (x)) that such Consenting Lender or such SISO Term Lender reasonably determines is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act and 31 C.F.R. § 1010.230 (the "***Beneficial Ownership Regulation***").

(xii) **Borrowing of the SISO Term Loans.** The Administrative Agent and the SISO Term Lenders shall have received a notice of borrowing from the Borrower in

accordance with Section 2.5(a) of the Amended Credit Agreement to borrow the SISO Term Loans in an amount equal to $100,000,000.

(xiii) **Notice of Prepayment and Notice of Reduction of Revolving Commitments**. The Administrative Agent shall have received (a) a notice of prepayment from the Borrower in accordance with Section 2.11(a) of the Amended Credit Agreement and (b) a notice of reduction of the Tranche A Revolving Commitments from the Borrower in accordance with Section 2.10(a)(ii) of the Amended Credit Agreement.

(xiv) **Prepayment and Reduction of Revolving Commitments**. (A) The Tranche A Prepayment and the Tranche A Commitment Reduction shall have occurred such that the aggregate principal amount of Tranche A Revolving Commitments outstanding under the Amended Credit Agreement on the Amendment No. 7 Amendment Date shall have been reduced to $300,000,000 and (B) The Borrower shall have paid to the Administrative Agent for the ratable account of each of the Tranche A Revolving Lenders party to the Existing Credit Agreement all accrued and unpaid interest on any Tranche A Revolving Loans held by such Tranche A Revolving Lenders to, but not including, the Amendment No. 7 Amendment Date.

(xv) **Borrowing Base Certificate**. The Borrower shall have updated and redelivered to the Administrative Agent the most recently delivered Borrowing Base Certificate with adjustments to reflect the changes to the definition of Tranche A Borrowing Base (and the component definitions thereof) and the definition of Tranche A Revolving Borrowing Base (and the component definitions thereof) after giving effect to this Amendment.

(xvi) **Amendment No. 7 Amendment Date**. Each of the conditions precedent to the occurrence of the Amendment No. 7 Amendment Date (other than the conditions precedent set forth in clause 5(b)(ix), clause 5(b)(x) and clause 5(b)(xiv)) shall have occurred on or prior to March 18, 2021.

© The Administrative Agent shall promptly notify the Borrower and the Lenders in writing when the Amendment No. 7 Amendment Date has occurred. For purposes of determining compliance with the conditions specified in this Section 5, each Consenting Lender, SISO Term Lender, Issuing Lender, Local Fronting Lender and Swingline Lender that has signed this Amendment shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender, including the Agreement Among Lenders, in each case, so long as none of the conditions set forth in Section 5(b) have not been modified or waived without the consent of each SISO Term Lender that has signed this Amendment (not to be unreasonably withheld, conditioned or delayed).

**Section 6. Expenses**

. The Borrower shall pay or cause to be paid all reasonable and documented fees and out-of-pocket expenses of (x) the Administrative Agent incurred in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder, if any (including the reasonable and documented fees, disbursements and other charges of Latham & Watkins LLP, counsel for the Primary Administrative Agent, Berkeley Research Group, LLC, financial advisor for the Primary Administrative Agent, and Blake, Cassels & Graydon LLP, Canadian counsel for the Primary Administrative Agent) and (y)

the SISO Term Lenders incurred in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered hereunder, if any (limited, in the case of counsel, to the reasonable and documented fees, disbursements and other charges Choate Hall & Stewart LLC, as counsel to the SISO Term Lenders).

**Section 7.** **Joinder of SISO Term Lenders.** As of the Amendment No. 7 Amendment Date, the parties hereto hereby agree and acknowledge that, by executing this Amendment, each SISO Term Lender party hereto shall become a "SISO Term Lender" under the Amended Credit Agreement and the other Loan Documents with a SISO Term Commitment as set forth on Annex E hereto.

**Section 8.** **Counterparts**

. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all of which when taken together shall constitute a single instrument. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or any other electronic transmission shall be effective as delivery of a manually executed counterpart hereof and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes to the fullest extent permitted by applicable law.

**Section 9.** **Applicable Law**

. **THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS TO THE EXTENT THAT THE SAME ARE NOT MANDATORILY APPLICABLE BY STATUTE AND THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.**

**Section 10.** **Headings**

. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

**Section 11.** **Effect of Amendment.**

i. On the Amendment No. 7 Amendment Date, the Existing Credit Agreement shall be amended in accordance with this Amendment, and the Existing Credit Agreement shall thereafter be of no further force and effect and shall be deemed replaced and superseded in all respects by the Amended Credit Agreement, except for (i) the representations and warranties made by Holdings and the Loan Parties prior to the Amendment No. 7 Amendment Date (which representations and warranties made prior to the Amendment No. 7 Amendment Date shall not be superseded or rendered ineffective by this Amendment as they pertain to the period prior to

the Amendment No. 7 Amendment Date) and (ii) any action or omission performed or required to be performed pursuant to the Existing Credit Agreement prior to the Amendment No. 7 Amendment Date. For the avoidance of doubt, any certificate or other document the form of which is set out in any exhibit attached to the Existing Credit Agreement or any other Loan Document may be revised, as applicable, to refer to the Amended Credit Agreement.

ii. Each of Holdings and the Loan Parties party hereto (the "***Reaffirming Parties***") acknowledges receipt of a copy of this Amendment, and (i) hereby consents to the amendments to the Existing Credit Agreement (including, with respect to Schedule 2.1 thereto), the Guarantee and Collateral Agreement, (ii) hereby confirms and reaffirms its respective guarantees, pledges, grants of security interests and other obligations, as applicable, under and subject to the terms of each of the Security Documents (each, as defined in the Amended Credit Agreement and as of the date hereof after giving effect to this Amendment) (collectively, the "***Reaffirmed Documents***") to which it is party, (iii) agrees that, notwithstanding the effectiveness of this Amendment, or, in each case, any of the transactions contemplated thereby, such guarantees, pledges, grants of security interests and other obligations, and the terms of each of the Reaffirmed Documents to which it is a party and the security interests created thereby, are not impaired or adversely affected in any manner whatsoever and shall continue to be in full force and effect and shall continue to secure all the Obligations (as defined in the Existing Credit Agreement), as amended, increased and/or extended pursuant to this Amendment and (iv) this Amendment shall not evidence or result in a novation of such Obligations or the Reaffirmed Documents. Furthermore, Revlon International Corporation (UK Branch) and Elizabeth Arden (UK) Ltd hereby confirm that this Amendment was originally contemplated and within the purview of the Existing Credit Agreement and there shall be no grant of new security interest under the Security Documents governed by English law pursuant to this Amendment. In furtherance of the foregoing, each Reaffirming Party (except for Revlon International Corporation (UK Branch) and Elizabeth Arden (UK) Ltd) does hereby grant to the Administrative Agent a security interest in all Collateral described in any Reaffirmed Document as security for the obligations set out in such Reaffirmed Document, as amended, increased and/or extended pursuant to this Amendment, subject in each case to any applicable limitations set forth in any such Reaffirmed Document.

iii. Each of the Loan Parties, on its own behalf and on behalf of its predecessors, successors, legal representatives and assigns (each of the foregoing, collectively, the "***Releasing Parties***") hereby acknowledges and stipulates that as of the Amendment No. 7 Effective Date, none of the Releasing Parties has any claims or causes of action of any kind whatsoever against, or any grounds or cause for reduction, modification, set as aside or subordination of any indebtedness or other obligations owed to or any liens or security interests in favor of the Administrative Agent, the Consenting Lenders, the Swingline Lender, any Local Fronting Lender, any Issuing Lender or any other Secured Party or any of their respective affiliates, officers, directors, employees, agents, attorneys or representatives or against any of their respective predecessors, successors or assigns (each of the foregoing, collectively, the "***Released Parties***") (other than such claims or causes of action that arise from the explicit obligations of the Administrative Agent, the Consenting Lenders, the Swingline Lender, the Local Fronting Lenders, the Issuing Lenders and the other Secured Parties in the Loan Documents (such claims

or causes of action, "***Surviving Claims***")). In partial consideration for the agreement of the Administrative Agent, the Consenting Lenders, the Swingline Lender, any Local Fronting Lender and any Issuing Lender party hereto to enter into this Amendment, each Releasing Party hereby unconditionally waives and fully and forever releases, remises, discharges and holds harmless the Released Parties from any and all claims, causes of action, demands, liabilities of any kind whatsoever, whether direct or indirect, fixed or contingent, liquidated or unliquidated, disputed or undisputed, known or unknown, which any of the Releasing Parties has or may acquire in the future relating in any way to any event, circumstance, action or failure to act at any time on or prior to the Amendment No. 7 Effective Date (other than the Surviving Claims), such waiver, release and discharge being made with full knowledge and understanding of the circumstances and effects of such waiver, release and discharge, and after having consulted legal counsel of its own choosing with respect thereto. This paragraph is in addition to any other release of any of the Released Parties by the Releasing Parties and shall not in any way limit any other release, covenant not to sue or waiver by the Releasing Parties in favor of the Released Parties.

iv. On and after the Amendment No. 7 Effective Date, each of this Amendment, the Fee Letter and the Engagement Letter (as defined in the Fee Letter) shall for all purposes constitute a Loan Document.

v. By executing a counterpart to this Amendment, each institution that has provided such counterpart, in its capacity as a Lender, has irrevocably agreed that, notwithstanding that the Amendment No. 7 Amendment Date may not have occurred, as of the Amendment No. 7 Effective Date it has irrevocably agreed to the terms of this Amendment and the terms of the Amended Credit Agreement set to become effective on the Amendment No. 7 Amendment Date.

**Section 1. Electronic Execution of Documents**

. The words "execution," "execute", "signed," "signature," and words of like import in or related to this Amendment or any document to be signed in connection with this Amendment and the transactions contemplated hereby (including without limitation assignment and assumptions, amendments or other borrowing requests, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Each of the parties represents and warrants to the other parties that it has the corporate capacity and authority to execute this Amendment through electronic means and there are no restrictions for doing so in that party's constitutive documents.

**[Remainder of Page Intentionally Left Blank]**

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

REVLON CONSUMER PRODUCTS CORPORATION, as Borrower

By: _____

Name:
Title:

REVLON, INC., as Holdings

By: _____

Name:
Title:

[Signature Page to Amendment No. 7]

ALMAY, INC.
ART & SCIENCE, LTD.
BARI COSMETICS, LTD.
BEAUTYGE BRANDS USA, INC.
BEAUTYGE USA., INC.
CHARLES REVSON INC.
CREATIVE NAIL DESIGN, INC.
CUTEX, INC.
DF ENTERPRISES, INC.
ELIZABETH ARDEN (CANADA) LIMITED
ELIZABETH ARDEN (FINANCING), INC.
ELIZABETH ARDEN (UK) LTD
ELIZABETH ARDEN INTERNATIONAL HOLDING, INC.
ELIZABETH ARDEN INVESTMENTS, LLC
ELIZABETH ARDEN NM, LLC
ELIZABETH ARDEN TRAVEL RETAIL, INC.
ELIZABETH ARDEN USC, LLC
ELIZABETH ARDEN, INC.
FD MANAGEMENT, INC.
NORTH AMERICA REVSALE INC.
OPP PRODUCTS, INC.
RDEN MANAGEMENT, INC.
REALISTIC ROUX PROFESSIONAL
PRODUCTS INC.
REVLON CANADA, INC.
REVLON DEVELOPMENT CORP.
REVLON GOVERNMENT SALES, INC.
REVLON INTERNATIONAL CORPORATION
REVLON PROFESSIONAL HOLDING COMPANY LLC
RIROS CORPORATION
RIROS GROUP INC.
ROUX LABORATORIES, INC.
ROUX PROPERTIES JACKSONVILLE, LLC
SINFULCOLORS INC.

By: _____

Name:
Title:

CITIBANK, N.A., as Administrative Agent, Collateral Agent, Issuing Lender, Local Fronting Lender and Swingline Lender

By: _____

Name:
Title:

[***]., as a Consenting Lender

By: _____

Name:
Title:

[Signature Page to Amendment No. 7]

**ANNEX A**

Amended Credit Agreement

[See Attached.]

**ANNEX B**

Schedule 2.1

[Please see the following page.]

**Schedule 2.1**

Commitments as of the Amendment No. 7 Amendment Date

| Lender | Tranche A Revolving Commitments |
|---|---|
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| **Total** | **$300,000,000.00** |

**ANNEX C**

Guarantee and Collateral Agreement

[See Attached.]

**ANNEX D**

Exhibit D

[See Attached.]

**Annex E**

SISO Term Commitments

| Lender | SISO Term Commitments |
|---|---|
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| [***] | $[***] |
| **Total** | **$100,000,000.00** |

ASSET-BASED REVOLVING CREDIT AGREEMENT

among

REVLON CONSUMER PRODUCTS CORPORATION,

CERTAIN LOCAL BORROWING SUBSIDIARIES,

as Borrowers
and

REVLON, INC.,

as Holdings,
THE LENDERS and ISSUING LENDERS PARTY HERETO

CITIBANK, N.A.,

as Administrative Agent, Collateral Agent, Issuing Lender and Swingline Lender, and
ALTER DOMUS (US) LLC, as Tranche B Administrative Agent

Dated as of September 7, 2016,

as amended and restated as of April 17, 2018, as further amended as of March 6, 2019, as further amended and restated as of April 17, 2020, as further amended and restated as of May 7, 2020, as further amended and restated as of October 23, 2020, as further amended and restated as of December 21, 2020 and as further amended and restated in accordance with the Amendment No. 7

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CITIGROUP GLOBAL MARKETS INC.,

BANK OF AMERICA, N.A., and

WELLS FARGO BANK, NATIONAL ASSOCIATION

as Joint Lead Arrangers,
CITIGROUP GLOBAL MARKETS INC.

BANK OF AMERICA, N.A.
CREDIT SUISSE SECURITIES (USA) LLC,
DEUTSCHE BANK SECURITIES INC.,
MACQUARIE CAPITAL (USA) INC.,
WELLS FARGO BANK, NATIONAL ASSOCIATION and

BARCLAYS BANK PLC,
as Joint Bookrunners
BANK OF AMERICA, N.A.,

as Syndication Agent and
CREDIT SUISSE SECURITIES (USA) LLC, and

DEUTSCHE BANK SECURITIES INC.,

as Co-Documentation Agents

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EXHIBITS:

ASSET-BASED REVOLVING CREDIT AGREEMENT, originally dated as of September 7, 2016, among REVLON CONSUMER PRODUCTS CORPORATION, a Delaware corporation (the "***Company***" or the "***Borrower***"), the Local Borrowing Subsidiaries from time to time party hereto, REVLON, INC., a Delaware corporation ("***Holdings***") solely for purposes of **Section 7A**, the several banks and other financial institutions or entities from time to time parties to this Agreement as Lenders, the Issuing Lenders, and CITIBANK, N.A., as Administrative Agent, Collateral Agent, Issuing Lender and Swingline Lender.

The parties hereto hereby agree as follows:

**Section I.**

**DEFINITIONS**

**i.Defined Terms**

. As used in this Agreement, the terms listed in this **Section 1.1** shall have the respective meanings set forth in this **Section 1.1**.

- "***2021 Notes***": the Borrower's 5.75% senior notes due 2021.

- "***2021 Notes Exchange***": the exchange of the 2021 Notes for the Tranche B Term Loans and certain other obligations of the Borrower as provided in the Confidential Offering Memorandum and Consent Solicitation Statement of Revlon Consumer Products Corporation dated as of September 29, 2020 (after giving effect to any modification, amendment, consent or waivers thereto); ***provided***, that the sum of (a) the aggregate principal amount of Unrestricted Cash and Cash Equivalents of the Company and its Subsidiaries (as reported on the Company's consolidated balance sheet as filed with the SEC) and (b)(i) Excess Availability minus (ii) the aggregate principal amount of the 2021 Notes that remain outstanding immediately following the 2021 Notes Exchange Effective Date shall be at least $175,000,000 immediately after giving effect to the occurrence of the 2021 Notes Exchange Effective Date.

- "***2021 Notes Exchange Effective Date***": the date the 2021 Notes Exchange and all transactions contemplated thereunder are consummated and all payments pursuant thereto are made.

- "***2021 Notes Lender Joinder Agreement***": means that certain lender joinder agreement attached as Exhibit B to the Amendment No. 5.

- "***2024 Notes***": as defined in the definition of "Transactions".

- "***ABL Facility First Priority Collateral***": as defined in the ABL Intercreditor Agreement.

- "***ABL Intercreditor Agreement***": the ABL Intercreditor Agreement, dated as of September 7, 2016, among the Borrower, Holdings, the Subsidiary Guarantors, the Collateral Agent and the collateral agent under the Term Loan Documents, substantially in the form of Exhibit K, as the same may be amended, supplemented, waived or otherwise modified from time to time.

- "***ABR***": for any day, a rate per annum equal to the highest of

a. the rate of interest last quoted by The Wall Street Journal as the "prime rate" in the United States,

b. the Federal Funds Effective Rate in effect on such day ***plus*** ½ of 1% and

c. (i) 0.00% and (ii) with respect to the Tranche A Revolving Loans, the SISO Term Loans and the Tranche B Term Loans, 2.75%.

Any change in the ABR due to a change in the "prime rate" shall be effective on the effective date of such change in the "prime rate" or the Federal Funds Effective Rate, as the case may be; ***provided***, with respect to any Local Loan which is denominated in Dollars and with respect to which the Revolving Lenders have not been requested to purchase a participating interest pursuant to **Section 2.32(a)**, "ABR" shall mean the rate of interest from time to time publicly announced by the relevant Local Fronting Lender as its base rate (or its equivalent thereof) for loans denominated in Dollars at the principal lending office of such Local Fronting Lender (or such other rate as may be mutually agreed between the Local Borrower and the relevant Local Fronting Lender as reflecting the Cost of Funds to such Local Fronting Lender of the Local Loans to which such rate is applicable).

- "***ABR Loans***": Loans, Local Loans or Acceptances denominated in Dollars, as context may require, the rate of interest applicable to which is based upon the ABR.

- "***Acceptances***": as defined in **Section 2.31(a)**.

- "***Account***": as defined in the UCC.

- "***Account Debtor***": as defined in the UCC.

- "***Accounting Changes***": as defined in **Section 10.16**.

- "***Additional BrandCo License Agreements***": the following agreements, each dated as of the Amendment No. 4 Effective Date: (i) Almay Intellectual Property License Agreement, by and among Almay BrandCo and the Borrower, (ii) Charlie Intellectual Property License Agreement, by and among Charlie BrandCo and the Borrower, (iii) CND Intellectual Property License Agreement, by and among CND BrandCo and the Borrower, (iv) Curve Intellectual Property License Agreement, by and among Curve BrandCo and the Borrower, (v) Elizabeth Arden Intellectual Property License Agreement, by and among Elizabeth Arden BrandCo and the Borrower, (vi) Giorgio Beverly Hills Intellectual Property License Agreement, by and among Giorgio Beverly Hills BrandCo and the Borrower, (vii) Halston Intellectual Property License Agreement, by and among Halston BrandCo and the Borrower, (viii) Jean Nate Intellectual Property License Agreement, by and among Jean Nate BrandCo and the Borrower, (ix) Mitchum Intellectual Property License Agreement, by and among Mitchum BrandCo and the Borrower, (x) Multicultural Group Intellectual Property License Agreement, by and among Multicultural Group BrandCo and the Borrower, (xi) PS Intellectual Property License Agreement, by and among PS BrandCo and the Borrower and (xii) White Shoulders Intellectual Property License Agreement, by and among White Shoulders BrandCo and the Borrower, in each case, as the same may be amended, supplemented, waived or otherwise modified from time to time.

- "***Additional Obligation Designation Notice***": as defined in **Section 9.12(c)**.

- "***Administrative Agent***": Citibank, N.A., as the administrative agent for the Lenders and Issuing Lenders under this Agreement and the other Loan Documents (other than in respect of the Tranche B Term Facility) (the "***Primary Administrative Agent***") and with respect to the Tranche B Term Facility, the Tranche B Administrative Agent, as the context may require, in each case, together with any of its successors and permitted assigns in such capacity in accordance with **Section 9.9**. For the

avoidance of doubt, references to "Administrative Agent" in respect of **Sections 2.27** through **2.34**, **6.14**, **6.15** and **6.16** (and, in each case, related provisions and definitions, as context may require) and, in respect of the Borrowing Base (including the Tranche B Borrowing Base), collateral and security matters, cash dominion, field examinations and appraisals, Protective Advances, Local Loans and Letters of Credit shall refer to the Primary Administrative Agent.

- "***Affected Financial Institution***" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

- "***Affiliate***": as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" of a Person means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person, in either case whether by contract or otherwise.

- "***Agents***": the collective reference to the Collateral Agent, the Primary Administrative Agent and the Tranche B Administrative Agent, and solely for purposes of **Sections 10.13** and **10.14** and the definitions of Obligations, Specified Cash Management Obligations and Specified Hedge Agreement, the Joint Lead Arrangers, Joint Bookrunners, Syndication Agent and Co-Documentation Agents.

- "***Aggregate Exposure***": with respect to

- (i) each Revolving Lender at any time, an amount equal to the aggregate amount of such Revolving Lender's Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the amount of such Revolving Lender's outstanding Revolving Extensions of Credit then outstanding, and

- (ii) each SISO Term Lender at any time, an amount equal to the aggregate amount of such SISO Term Lender's SISO Term Commitments then in effect or, if the SISO Term Commitments have been terminated, the aggregate principal amount of such SISO Term Lender's SISO Term Loans then outstanding.

- "***Aggregate Exposure Percentage***": with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender's Aggregate Exposure at such time to the total Aggregate Exposures of all applicable Lenders at such time.

- "***Agreed Purposes***": as defined in **Section 10.14**.

- "***Agreement***": this Asset-Based Revolving Credit Agreement, as amended, supplemented, waived or otherwise modified from time to time.

- "***Agreement Among Lenders***": that certain Agreement Among Lenders, dated as of the Amendment No. 7 Effective Date, among the Tranche A Revolving Secured Parties as the First Out Holders (as defined therein), the SISO Secured Parties as Last Out Lenders (as defined therein), and the Administrative Agent, and as acknowledged by the Loan Parties.

- "***Amendment No. 1***": that certain Amendment No. 1, dated as of April 17, 2018, among the Borrower, Holdings, the other Loan Parties thereto, and the Administrative Agent and the Collateral Agent, among others.

- "***Amendment No. 1 Effective Date***": as defined in Amendment No. 1.

- "***Amendment No. 3***": that certain Amendment No. 3, dated as of April 17, 2020, among the Borrower, Holdings, the other Loan Parties thereto, and the Administrative Agent and the Collateral Agent, among others.

- "***Amendment No. 3 Effective Date***": as defined in Amendment No. 3.

- "***Amendment No. 4***": that certain Amendment No. 4, dated as of May 7, 2020, among the Borrower, Holdings, the other Loan Parties thereto, and the Administrative Agent and the Collateral Agent, among others.

- "***Amendment No. 4 Effective Date***": as defined in Amendment No. 4.

- "***American Crew License Agreement***": the Amended and Restated Intellectual Property License Agreement, dated as of the Amendment No. 4 Effective Date, by and among American Crew BrandCo as licensor and the Borrower as licensee, as the same may be amended, supplemented, waived or otherwise modified from time to time.

- "***American Crew Non-Exclusive License***": the Amended and Restated Non-Exclusive License Agreement, dated as of the Amendment No. 4 Effective Date, by and among the Borrower as licensor and American Crew BrandCo as licensee, as the same may be amended, supplemented, waived or otherwise modified from time to time.

- "***Amendment No. 5***": that certain Amendment No. 5, dated as of October 23, 2020, among the Borrower, Holdings, the other Loan Parties thereto, and the Administrative Agent and the Collateral Agent, among others.

- "***Amendment No. 5 Effective Date***": as defined in Amendment No. 5.

- "***Amendment No. 5 Paydown***": as defined in Amendment No. 5.

- "***Amendment No. 6***": that certain Amendment No. 6, dated as of December 21, 2020, among the Borrower, Holdings, the other Loan Parties thereto, and the Administrative Agent and the Collateral Agent, among others.

- "***Amendment No. 6 Effective Date***": as defined in Amendment No. 6.

- "***Amendment No. 7***": that certain Amendment No. 7, dated as of March 8, 2021, among the Borrower, Holdings, the other Loan Parties thereto, and the Administrative Agent and the Collateral Agent, among others.

- "***Amendment No. 7 Amendment Date***": as defined in Amendment No. 7.

- "***Amendment No. 7 Effective Date***": as defined in Amendment No. 7.

- "***Anti-Corruption Law***": the United States Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act 2010, or any applicable law or regulation implementing the OECD Convention on Combatting Bribery of Foreign Public Officials.

- "***Applicable Margin***":

d. With respect to the Tranche A Revolving Loans,

i.from the Amendment No. 7 Amendment Date until (but excluding) the third Business Day after receipt by the Administrative Agent of the first Borrowing Base Certificate delivered pursuant to **Section 6.2(g)(i)**, a rate equal to 2.00% per annum with respect to ABR Loans and 3.00% per annum with respect to Eurocurrency Loans or Local Loans and

ii.thereafter, a per annum rate equal to the rate set forth below for the applicable type of Loan and the then applicable Average Excess Revolving Availability (determined as provided in the last paragraph of this definition):

| Average Excess Revolving Availability ("***AERA***") | Applicable Margin for Tranche A Revolving Loans that are Eurocurrency Loans or Local Rate Loans | Applicable Margin for Tranche A Revolving Loans that are ABR Loans |
|---|---|---|
| 66 ⅔% ≤ AERA | 2.50% | 1.50% |
| 33 ⅓% ≤ AERA < 66 ⅔% | 2.75% | 1.75% |
| AERA < 33 ⅓% | 3.00% | 2.00% |

- (b) With respect to the SISO Term Loans (i) that are Eurocurrency Loans, 5.75% and (ii) that are ABR Loans, 4.75%;

- (c) With respect to the Tranche B Term Loans (i) that are Eurocurrency Loans, 8.50% and (ii) that are ABR Loans, 7.50%.

For purposes of **clause (a)(ii)** of this definition of Applicable Margin, Average Excess Revolving Availability shall be determined every four-week period commencing with the four-week period ending April 9, 2021 and based on the Borrowing Base Certificate delivered pursuant to **Section 6.2(g)(i)(A)**; ***provided***, that if Borrower has not submitted to the Administrative Agent a Borrowing Base Certificate pursuant to **Section 6.2(g)(i)** within the time periods specified therein, then, the Applicable Margin shall conclusively equal the highest possible Applicable Margin provided in this definition; ***provided***, ***further*** that if the highest possible Applicable Margin is in effect because of the immediately preceding proviso and the Borrower delivers an updated Borrowing Base Certificate at least three Business Days prior to the next Interest Payment Date, the Applicable Margin shall be calculated based upon Average Excess Revolving Availability set forth in such updated Borrowing Base Certificate for the period between (x) the third Business Day after such Borrowing Base Certificate that was not submitted within the time periods specified pursuant to **Section 6.2(g)(i)** was required to be delivered to the Administrative Agent and (y) the third Business Day after receipt by the Administrative Agent of such updated Borrowing Base Certificate. Any increase or decrease in the Applicable Margin resulting from a change in the Average Excess Revolving Availability determined pursuant to the preceding sentence shall become effective as of the third Business Day after receipt by the Administrative Agent of the Borrowing Base Certificate used in such determination except as otherwise provided in the preceding sentence.

- "***Applicable Period***": as defined in **Section 10.19**.

- "***Application***": an application, in such form as the relevant Issuing Lender may specify from time to time, requesting such Issuing Lender to issue a Letter of Credit.

• "***Appraisal***": (i) each appraisal delivered to the Administrative Agent prior to the Closing Date for purposes of this Agreement (which the Administrative Agent confirms is satisfactory to it) and (ii) each appraisal that is conducted after the Closing Date pursuant to **Section 6.14** in form and substance reasonably satisfactory to the Administrative Agent and performed by an appraiser that is reasonably satisfactory to the Administrative Agent.

• "***Approved Deposit Account***": a Deposit Account that is the subject of an effective Deposit Account Control Agreement and that is maintained by any Loan Party with a Deposit Account Bank. "Approved Deposit Account" includes all monies on deposit in a Deposit Account and all certificates and instruments, if any, representing or evidencing such Deposit Account.

• "***Approved Fund***": as defined in **Section 10.6(b)**.

• "***Approved Securities Intermediary***": a Securities Intermediary or Commodity Intermediary selected by a Loan Party and reasonably satisfactory to the Administrative Agent.

• "***Assignee***": as defined in **Section 10.6(b)**.

• "***Assignment and Assumption***": an Assignment and Assumption, substantially in the form of **Exhibit D** or such other form reasonably acceptable to the Administrative Agent and the Borrower.

• "***Availability***": at any time, Tranche A Availability.

• "***Availability Reserve***": effective as of five Business Days after the date of written notice of any determination thereof to the Borrower by the Administrative Agent (which notice shall include a reasonable description of the basis for such determination), such amounts as the Administrative Agent may from time to time establish, in the Administrative Agent's sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, in order to (a) preserve the value of the ABL Facility First Priority Collateral or the Collateral Agent's Lien thereon or (b) provide for the payment of unanticipated liabilities of any Loan Party affecting the ABL Facility First Priority Collateral arising after the Closing Date, in each case based on the analysis of facts or events first occurring or first discovered by the Administrative Agent after the Closing Date or that are materially different from facts or events occurring or known to the Administrative Agent on the Closing Date; ***provided***, ***however***, that

(A) any Availability Reserve shall have a reasonable relationship to the circumstances, conditions, events or contingencies which are the basis of such Availability Reserve and

(B) no such Availability Reserve will be established with respect to (i) such matters that have been taken into account in the calculation of the Borrowing Base, or the determination of any Eligibility Reserve or Dilution Reserve, or (ii) Specified Hedge Agreements, Specified Additional Obligations or Specified Cash Management Obligations.

For the avoidance of doubt, Availability Reserves shall not be established in respect of any eligibility or dilution risks or contingencies, which shall be reserved against by way of Eligibility Reserves or Dilution Reserves, respectively.

• "***Available Revolving Commitment***": as to each Revolving Lender at any time, an amount equal to the excess, if any, of (a) such Revolving Lender's Revolving Commitment then in effect over (b) such Revolving Lender's Revolving Extensions of Credit then outstanding.

• "***Available Tenor***": as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to **clause (iv)** of **Section 2.17(a)**.

• "***Average Excess Revolving Availability***": with respect to any calendar month of the Borrower, the percentage equivalent to a fraction, (i) the numerator of which is the average Excess Revolving Availability for the days of such calendar month, and (ii) the denominator of which is the average Maximum Revolving Availability for the days of such calendar month.

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

• "***Bail-In Legislation***":

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

f. with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

• "***Bailee's Letter***": a letter in form and substance reasonably acceptable to the Administrative Agent and executed by any Person (other than the Company or any Subsidiary Guarantor) that is in possession of Inventory or Equipment included in the Tranche A Borrowing Base or the Tranche B Borrowing Base on behalf of the Company or any Subsidiary Guarantor pursuant to which such Person acknowledges, among other things, the Collateral Agent's Lien with respect thereto.

• "***Benchmark***": initially, LIBOR; ***provided*** that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to **clause (i)** of **Section 2.17(a)**.

• "***Benchmark Replacement***": for any Available Tenor, the first alternative set forth below and (where applicable) in the order set forth below for the currency that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

• (a) For Dollars:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for Dollars denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment; ***provided*** that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion.

• (b) For all Non-Hardwired Currencies, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for syndicated credit facilities denominated in such currency at such time in the U.S. syndicated loan market and (b) the related Benchmark Replacement Adjustment.

• If the Benchmark Replacement as determined pursuant to clauses (a)(1), (a)(2), (a)(3) or (b) above would be less than 1.75% for the applicable Benchmark, the Benchmark Replacement will be deemed to be 1.75% applicable to such Benchmark for the purposes of this Agreement and the other Loan Documents.

• "***Benchmark Replacement Adjustment***": with respect to any replacement of the then current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (a)(1) and (a)(2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Administrative Agent: (a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor or (b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (a)(3) or (b) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a

positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor and currency giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities in the U.S. syndicated loan market; provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Administrative Agent in its reasonable discretion.

• "***Benchmark Replacement Conforming Changes***": with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of "Benchmark Replacement", the formula, methodology or convention for applying the successor floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

• "***Benchmark Replacement Date***": the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein; or

(3) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the applicable Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the applicable Lenders, written notice of objection to such Early Opt-in Election from such Lenders comprising the Required Lenders (which, for the avoidance of doubt, shall only include such Lenders required under **clause (a)** under the definition thereof).

• For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the

Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"***Benchmark Transition Event***": with respect to any Benchmark, the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), or, if applicable, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

• For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

• "***Benchmark Unavailability Period***": with respect to any then-current Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with **Section 2.17(a)** and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with **Section 2.17(a)**.

• "***Benefited Lender***": as defined in **Section 10.7(a)**.

• "***Board***": the Board of Governors of the Federal Reserve System of the United States (or any successor).

- "***Board of Directors***": (a) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board; (b) with respect to a partnership, the board of directors of the general partner of the partnership, or any committee thereof duly authorized to act on behalf of such board or the board or committee of any Person serving a similar function; (c) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof or any Person or Persons serving a similar function; and (d) with respect to any other Person, the board or committee of such Person serving a similar function.

- a "***Borrower***": the Company or a Local Borrowing Subsidiary, as the context shall require; collectively, the "Borrowers". References to "the Borrower" shall refer solely to the Company.

- "***Borrower Materials***": as defined in **Section 10.2(c)**.

- "***Borrowing Base***": at any time, the Tranche A Borrowing Base ***plus*** the Tranche B Borrowing Base.

- "***Borrowing Base Certificate***": a certificate of the Company substantially in the form of Exhibit P (Form of Borrowing Base Certificate) or such other form reasonably acceptable to the Administrative Agent and the Borrower.

- "***Borrowing Date***": any Business Day specified by the Borrower as a date on which the Borrower or a Local Borrowing Subsidiary requests the relevant Lenders to make Loans hereunder.

- "***Borrowing Minimum***": (a) in the case of a Revolving Loan denominated in Dollars, $1,000,000, and (b) in the case of a Revolving Loan denominated in any Permitted Foreign Currency, such roughly equivalent amount in such Permitted Foreign Currency as may be reasonably specified by the Administrative Agent.

- "***Borrowing Multiple***": (a) in the case of a Revolving Loan denominated in Dollars, $100,000, and (b) in the case of a Revolving Loan denominated in any Permitted Foreign Currency, such roughly equivalent amount in such Permitted Foreign Currency as may be reasonably specified by the Administrative Agent.

- "***BrandCo(s)***": means each of (i) Beautyge II, LLC, a Delaware limited liability company ("American Crew BrandCo"), (ii) BrandCo Almay 2020 LLC, a Delaware limited liability company ("Almay BrandCo"), (iii) BrandCo Charlie 2020 LLC, a Delaware limited liability company ("Charlie BrandCo"), (iv) BrandCo CND 2020 LLC, a Delaware limited liability company ("CND BrandCo"), (v) BrandCo Curve 2020 LLC, a Delaware limited liability company ("Curve BrandCo"), (vi) BrandCo Elizabeth Arden 2020 LLC, a Delaware limited liability company ("Elizabeth Arden BrandCo"), (vii) BrandCo Giorgio Beverly Hills 2020 LLC, a Delaware limited liability company ("Giorgio Beverly Hills BrandCo"), (viii) BrandCo Halston 2020 LLC, a Delaware limited liability company ("Halston BrandCo"), (ix) BrandCo Jean Nate 2020 LLC, a Delaware limited liability company ("Jean Nate BrandCo"), (x) BrandCo Mitchum 2020 LLC, a Delaware limited liability company ("Mitchum BrandCo"), (xi) BrandCo Multicultural Group 2020 LLC, a Delaware limited liability company ("Multicultural Group BrandCo"), (xii) BrandCo PS 2020 LLC, a Delaware limited liability company ("PS BrandCo") and (xiii) BrandCo White Shoulders 2020 LLC, a Delaware limited liability company ("White Shoulders BrandCo").

- "***BrandCo Collateral***": as defined in the Pari Passu Intercreditor Agreement.

- "***BrandCo Credit Agreement***": that certain BrandCo Credit Agreement, dated as of the Amendment No. 4 Effective Date (as amended, amended and restated, supplemented or otherwise modified from time to time), among Holdings, the Borrower, the lenders party thereto, and Jefferies Finance LLC, as administrative agent, first lien collateral agent, second lien collateral agent and third lien collateral agent.

- "***BrandCo Documents***": the BrandCo Credit Agreement and any other document, agreement and instrument executed and/or delivered in connection therewith or relating thereto, together with any amendment, supplement, waiver, or other modification to any of the foregoing.

- "***BrandCo Entities***": each BrandCo and BrandCo Holdings and their Subsidiaries.

- "***BrandCo Holdings***": Beautyge I, an exempted company incorporated in the Cayman Islands.

- "***BrandCo License Agreements***": the American Crew License Agreement and the Additional BrandCo License Agreements.

- "***BrandCo License Documents***": the BrandCo License Agreements and the American Crew Non-Exclusive License.

- "***Business***": the business activities and operations of the Borrower and/or its Subsidiaries on the Closing Date, after giving effect to the Transactions.

- "***Business Day***": any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the state where the Administrative Agent's office is located (or, in the case of any Local Loan or Acceptance, the location of the funding office of the relevant Local Fronting Lender) and:

g. if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, means any such day that is also a London Banking Day;

h. if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, means a TARGET Day;

i. if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in a currency other than Dollars or Euro, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the London or other applicable offshore interbank market for such currency; and

j. if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

• "***Calculation Date***": as defined in **Section 1.3(a)**.

• "***Canadian Collateral Agreement***" means the Canada – ABL Collateral Agreement, dated as of March 22, 2018, among Revlon Canada Inc., Elizabeth Arden (Canada) Limited, each other Grantor (as defined therein) from time to time party thereto and the Collateral Agent, as the same may be amended, supplemented, waived or otherwise modified from time to time.

• "***Capital Expenditure***": for any period, the amount equal to all expenditures (by the expenditure of cash or the incurrence of Indebtedness) made by the Borrower and its Restricted Subsidiaries during such period in respect of the purchase or other acquisition or improvement of any fixed or capital asset or any other amounts which would, in accordance with GAAP, be set forth as capital expenditures or purchases of permanent displays on the consolidated statement of cash flows of the Borrower and its Restricted Subsidiaries for such period.

• "***Capital Lease Obligations***": as to any Person, the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal Property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP, ***provided***, that for the purposes of this definition, "GAAP" shall mean generally accepted accounting principles in the United States as in effect on the Closing Date.

• "***Capital Stock***": any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, and any and all equivalent ownership interests in a Person (other than a corporation).

• "***Cash Collateral Account***": any Deposit Account or Securities Account that is:

k. established as a "Cash Collateral Account" for the purposes expressly contemplated under the Loan Documents by any Agent from time to time to receive cash and Cash Equivalents (or purchase cash or Cash Equivalents with funds received) from the Company or its Subsidiaries or Persons acting on their behalf pursuant to the Loan Documents;

l. with such depositaries and securities intermediaries as the Administrative Agent may determine in its sole discretion exercised reasonably;

m. in the name of the Administrative Agent (although such account may also have words referring to the Company and the account's purpose);

n. under the control of the Collateral Agent; and

o. in the case of a Securities Account, with respect to which the Collateral Agent, at the direction of the Administrative Agent or an agent under the Term Loan Documents, as the case may be, shall be the Entitlement Holder and the only Person authorized to give Entitlement Orders with respect thereto; ***provided***, ***however***, that no Cash Collateral Account shall be established in the Commonwealth of Australia.

• "***Cash Collateralize***": with respect to any portion of the L/C Exposure, to pay to the Administrative Agent an amount of cash and/or Cash Equivalents to be held as security for obligations of the Borrower in respect of such portion of the L/C Exposure in a Cash Collateral Account or backstop in a

manner satisfactory to, or make other arrangements satisfactory to the Administrative Agent and the applicable Issuing Lender, with respect to such portion of the L/C Exposure. "Cash Collateralization" and "Cash Collateral" shall have correlative meanings.

- "***Cash Equivalents***":

p. direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within 18 months from the date of acquisition thereof;

q. certificates of deposit, time deposits and eurodollar time deposits with maturities of 18 months or less from the date of acquisition, bankers' acceptances with maturities not exceeding 18 months and overnight bank deposits, in each case, with any domestic commercial bank having capital and surplus at the date of acquisition thereof in excess of $250,000,000;

r. repurchase obligations with a term of not more than 30 days for underlying securities of the types described in **clauses (a)** and **(b)** above entered into with any financial institution meeting the qualifications specified in **clause (b)** above;

s. commercial paper having a rating of at least A-1 from S&P or P-1 from Moody's (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another rating agency) and maturing within 18 months after the date of acquisition and Indebtedness and preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 18 months or less from the date of acquisition;

t. readily marketable direct obligations issued by or directly and fully guaranteed or insured by any state of the United States or any political subdivision thereof having one of the two highest rating categories obtainable from either Moody's or S&P with maturities of 18 months or less from the date of acquisition;

u. marketable short-term money market and similar securities having a rating of at least P-1 or A-1 from Moody's or S&P, respectively (or, if at any time neither Moody's nor S&P shall be rating such obligations, an equivalent rating from another rating agency) and in each case maturing within 18 months after the date of creation or acquisition thereof;

v. Investments with average maturities of 12 months or less from the date of acquisition in money market funds rated AA- (or the equivalent thereof) or better by S&P or Aa3 (or the equivalent thereof) or better by Moody's;

w. (x) such local currencies in those countries in which the Borrower and its Restricted Subsidiaries transact business from time to time in the ordinary course of business and (y) investments of comparable tenor and credit quality to those described in the foregoing **clauses (a)** through **(g)** or otherwise customarily utilized in countries in which the Borrower and its Restricted Subsidiaries operate for short term cash management purposes; and

x. Investments in funds which invest substantially all of their assets in Cash Equivalents of the kinds described in **clauses (a)** through **(h)** of this definition.

• "***Cash Interest Expenses***": for any Test Period, the amount set forth opposite the caption "interest" (or any like caption) under the heading "supplemental schedule of cash flow information" (or any like heading) in the consolidated financial statements of the Borrower and its Restricted Subsidiaries for such Test Period.

• "***Cash Management Obligations***": obligations in respect of any overdraft or other liabilities arising from treasury, depository and cash management services, credit or debit card, or any automated clearing house transfers of funds.

• "***Cash Management Provider***": as defined in the definition of "Specified Cash Management Obligations".

• "***Certificated Security***": as defined in the Guarantee and Collateral Agreement.

• "***Change of Control***": as defined in **Section 8.1(j)**.

• "***Charges***": as defined in **Section 10.20**.

• "***Chattel Paper***": as defined in the Guarantee and Collateral Agreement.

• "***Citibank***": Citibank, N.A.

• "***Closing Date***": September 7, 2016.

• "***Co-Documentation Agents***": Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc., each in its capacity as co-documentation agent.

• "***Code***": the Internal Revenue Code of 1986, as amended from time to time (unless otherwise indicated).

• "***Collateral***": all the "Collateral" as defined in any Security Document.

• "***Collateral Agent***": Citibank, N.A., in its capacity as collateral agent for the Secured Parties under the Security Documents and any of its successors and permitted assigns in such capacity in accordance with **Section 9.9**.

• "***Commitment***": as to any Lender, the sum of the Revolving Commitments and the Extended Revolving Commitments (in each case, if any) of such Lender.

• "***Commitment Fee Rate***":

y. from the Amendment No. 7 Amendment Date until (but excluding) the third Business Day after receipt by the Administrative Agent of the first Borrowing Base Certificate delivered pursuant to **Section 6.2(g)(i)**, a rate equal to 0.375% per annum and

z. thereafter, a per annum rate equal to the rate set forth below for the then applicable Average Excess Revolving Availability (determined as provided in the last paragraph of this definition):

| AERA | Commitment Fee Rate |
|---|---|
| AERA < 50.0% | 0.375% |
| AERA ≥ 50.0% | 0.50% |

• For purposes of this definition of Commitment Fee Rate, Average Excess Revolving Availability shall be determined once every four-week period (commencing with the four-week period ending April 9, 2021) based on the Borrowing Base Certificate delivered pursuant to **Section 6.2(g)(i)(A)**; ***provided***, that if Borrower has not submitted to the Administrative Agent a Borrowing Base Certificate pursuant to **Section 6.2(g)(i)** within the time periods specified therein, then, the Commitment Fee Rate shall conclusively equal the highest possible Commitment Fee Rate provided in this definition; ***provided***, ***further*** that if the highest possible Commitment Fee Rate is in effect because of the immediately preceding proviso and the Borrower delivers an updated Borrowing Base Certificate at least three Business Days prior to the next Fee Payment Date, the Commitment Fee Rate shall be calculated based upon Average Excess Revolving Availability set forth in such updated Borrowing Base Certificate for the period between (x) the third Business Day after such Borrowing Base Certificate that was not submitted within the time periods specified pursuant to **Section 6.2(g)(i)** was required to be delivered to the Administrative Agent and (y) the third Business Day after receipt by the Administrative Agent of such updated Borrowing Base Certificate. Any increase or decrease in the Commitment Fee Rate resulting from a change in the Average Excess Revolving Availability determined pursuant to the preceding sentence shall become effective as of the third Business Day after receipt by the Administrative Agent of the Borrowing Base Certificate used in such determination except as otherwise provided in the preceding sentence.

• "***Commodity Exchange Act***": the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

• "***Commodity Intermediary***": as defined in the UCC.

• "***Commonly Controlled Entity***": an entity, whether or not incorporated, that is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group that includes the Borrower and that is treated as a single employer under Section 414(b), (c), (m) or (o) of the Code.

• "***Commonly Controlled Plan***": as defined in **Section 4.12(b)**.

• "***Company***": as defined in the preamble hereto.

• "***Company Tax Sharing Agreement***": the Tax Sharing Agreement, dated as of March 26, 2004, among Holdings, the Company and certain of its Subsidiaries, as amended, supplemented or otherwise modified from time to time in accordance with the provisions of **Section 7.15**.

• "***Compliance Certificate***": a certificate duly executed by a Responsible Officer substantially in the form of Exhibit B or such other form reasonably acceptable to the Administrative Agent and the Borrower.

• "***Confidential Information***": as defined in **Section 10.14**.

• "***Consolidated EBITDA***": of any Person for any period, shall mean the Consolidated Net Income of such Person and its Restricted Subsidiaries for such period ***plus***, without duplication and, if

applicable, except with respect to **clauses (f)**, **(n)** and **(s)** of this definition, to the extent deducted in calculating such Consolidated Net Income for such period, the sum of:

(a) provisions for taxes based on income (or similar taxes in lieu of income taxes), profits, capital (or equivalents), including federal, foreign, state, local, franchise, excise and similar taxes and foreign withholding taxes paid or accrued during such period (including penalties and interest related to taxes or arising from tax examinations);

(b) Consolidated Net Interest Expense and, to the extent not reflected in such Consolidated Net Interest Expense, any net losses on hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk or foreign exchange rate risk, amortization or write-off of debt discount and debt issuance costs and commissions, premiums, discounts and other fees and charges associated with Indebtedness (including commitment, letter of credit and administrative fees and charges with respect to the Facilities and the Term Loan Agreement);

(c) depreciation and amortization expense and impairment charges (including deferred financing fees, original issue discount, amortization of convertible notes and other convertible debt instruments, capitalized software expenditures, amortization of intangibles (including goodwill), organization costs and amortization of unrecognized prior service costs, and actuarial gains and losses related to pensions, and other post-employment benefits);

(d) all management, monitoring, consulting and advisory fees, and due diligence expense and other transaction fees and expenses and related expenses paid (or any accruals related to such fees or related expenses) (including by means of a dividend) during such period;

(e) any extraordinary, unusual or non-recurring income or gains or charges, expenses or losses (including (x) gains or losses on sales of assets outside of the ordinary course of business, (y) restructuring and integration costs or reserves, including any retention and severance costs, costs associated with office and facility openings, closings and consolidations, relocation costs, contract termination costs, future lease commitments, excess pension charges and other non-recurring business optimization expenses and legal and settlement costs, and (z) any expenses in connection with the Transactions);

(f) (A) to the extent covered by insurance and actually reimbursed, or, so long as such person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (x) not denied by the applicable carrier in writing within 180 days and (y) in fact reimbursed within 365 days following the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days), expenses with respect to liability or casualty events or business interruption; and (B) amounts estimated in good faith to be received from insurance in respect of lost revenues or earnings in respect of liability or casualty events or business interruption (with a deduction for amounts actually received up to such estimated amount to the extent included in Consolidated EBITDA in a future period);

(g) any other non-cash income or gains (other than the accrual of revenue in the ordinary course), but excluding any such items (i) in respect of which cash was received in a prior period or will be received in a future period or (ii) which represent the reversal in such period of any accrual of, or reserve for, anticipated cash charges in any prior period where such accrual or reserve is no longer required, all as determined on a consolidated basis;

(h) transaction costs, fees, losses and expenses (in each case whether or not any transaction is actually consummated) (including those with respect to any amendments or waivers of the Loan Documents or the Term Loan Documents, and those payable in connection with the sale of Capital Stock, recapitalization, the incurrence of Indebtedness permitted by **Section 7.2**, transactions permitted by **Section 7.4**, Dispositions permitted by **Section 7.5**, or any Permitted Acquisition or other Investment permitted by **Section 7.7**);

(i) accruals and reserves that are established or adjusted within twelve months after the Closing Date and that are so required to be established or adjusted in accordance with GAAP or as a result of adoption or modification of accounting policies;

(j) all costs and expenses incurred in defending, settling and compromising any pending or threatened litigation claim, action or legal dispute up to an amount not to exceed $15,000,000 in such period;

(k) charges, losses, lost profits, expenses or write-offs to the extent indemnified or insured by a third party, including expenses covered by indemnification provisions in any Qualified Contract or any agreement in connection with the Transactions, a Permitted Acquisition or any other acquisition or Investment permitted by **Section 7.7**, in each case, to the extent that coverage has not been denied (other than any such denial that is being contested by the Borrower and/or its Restricted Subsidiaries in good faith) and so long as such amounts are actually reimbursed to such Person and its Restricted Subsidiaries in cash within one year after the related amount is first added to Consolidated EBITDA pursuant to this **clause (k)** (and to the extent not so reimbursed within one year, such amount not reimbursed shall be deducted from Consolidated EBITDA during the next measurement period); it being understood that such amount may subsequently be included in Consolidated EBITDA in a measurement period to the extent of amounts actually reimbursed;

(l) costs of surety bonds of such Person and its Restricted Subsidiaries in connection with financing activities;

(m) costs associated with, or in anticipation of, or preparation for, compliance with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith;

(n) the amount of expected cost savings and other operating improvements and synergies reasonably identifiable and reasonably supportable (as determined by the Borrower or any Restricted Subsidiary in good faith) to be realized as a result of the Transactions, any acquisition or Disposition (including the termination or discontinuance of activities constituting such business), any Investment, operating expense reductions, operating improvements, restructurings, cost savings initiatives, operational changes or similar initiatives or transactions (including resulting from any head count reduction or closure of facilities) taken or committed to be taken during such (or any prior) period (in each case calculated on a pro forma basis as though such cost savings and other operating expense reductions, operating improvements and synergies had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions to the extent already included in the Consolidated Net Income for such period; provided, that (i) (A) such cost savings, operating improvements and synergies are reasonably anticipated to result from such actions and (B) actions resulting in such operating expense reductions or other operating improvements, synergies or cost savings are reasonably anticipated to have commenced within 18 months and (ii) no cost savings shall be added pursuant to this clause (n) to the extent already included in clause (e) above with respect to such period;

(o) earn-out, contingent compensation and similar obligations incurred in connection with any acquisition or other investment and paid (if not previously accrued) or accrued;

(p) net realized losses relating to mark-to-market of amounts denominated in foreign currencies resulting from the application of FASB ASC 830 (including net realized losses from exchange rate fluctuations on intercompany balances and balance sheet items, net of realized gains from related Hedge Agreements);

(q) costs, charges, accruals, reserves or expenses attributable to cost savings initiatives, operating expense reductions, transition, opening and pre-opening expenses, business optimization, management changes, restructurings and integrations (including inventory optimization programs, software and other intellectual property development costs, costs related to the closure or consolidation of facilities and curtailments, costs related to entry into new markets, consulting fees, signing costs, retention or completion bonuses, relocation expenses, severance payments, and modifications to pension and post-retirement employee benefit plans, new systems design and implementation costs and project startup costs) or other fees relating to any of the foregoing;

(r) (i) any net realized loss resulting from fair value accounting required by FASB ASC 815 (including as a result of the mark-to-market of obligations of Hedge Agreements and other derivative instruments), (ii) any net realized loss resulting in such period from currency translation losses related to currency re-measurements of Indebtedness and (iii) the amount of loss resulting in such period from a sale of receivables, payment intangibles and related assets in connection with a receivables financing; and

(s) cash receipts (or any netting arrangements resulting in reduced cash expenses) not included in Consolidated EBITDA in any period to the extent non-cash gains relating to such receipts were deducted in the calculation of Consolidated EBITDA pursuant to the below for any previous period and not added back,

***minus***, to the extent reflected as income or a gain in the statement of such Consolidated Net Income for such period, the sum, without duplication, of:

(A) the amount of cash received in such period in respect of any non-cash income or gain in a prior period (to the extent such non-cash income or gain previously increased Consolidated Net Income in a prior period);

(B) net realized gains relating to mark-to-market of amounts denominated in foreign currencies resulting from the application of FASB ASC 830 (including net realized gains from exchange rate fluctuations on intercompany balances and balance sheet items, net of realized losses from related Hedge Agreements); and

(C) (i) any net realized gain resulting from fair value accounting required by FASB ASC 815 (including as a result of the mark-to-market of obligations of Hedge Agreements and other derivative instruments), (ii) any net realized gain resulting in such period from currency translation gains related to currency re-measurements of Indebtedness and (iii) the amount of gain resulting in such period from a sale of receivables, payment intangibles and related assets in connection with a receivables financing;

***provided***, that for purposes of calculating Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for any period, the Consolidated EBITDA of any Person or Properties constituting a division or line of business of any business entity, division or line of business, in each case, acquired by Holdings, the Borrower or any of the Restricted Subsidiaries during such period and assuming any synergies, cost

savings and other operating improvements to the extent determined by the Borrower in good faith to be reasonably anticipated to be realizable within 18 months following such acquisition, or of any Subsidiary designated as a Restricted Subsidiary during such period, shall be included on a pro forma basis for such period (but assuming the consummation of such acquisition or such designation, as the case may be, occurred on the first day of such period); ***provided***, ***further***, any expected or anticipated synergies, cost savings and other operating improvements added back pursuant to the preceding proviso or **clause (n)** above (excluding any such expected or anticipated synergies, cost savings or other operating improvements in connection with any Disposition) shall not exceed, in the aggregate, 25% of Consolidated EBITDA (in each case, calculated prior to giving effect to such addbacks) for such periods. With respect to each joint venture or minority investee of the Borrower or any of its Restricted Subsidiaries, for purposes of calculating Consolidated EBITDA, the amount of EBITDA (calculated in accordance with this definition) attributable to such joint venture or minority investee, as applicable, that shall be counted for such purposes (without duplication of amounts already included in Consolidated Net Income) shall equal the product of (x) the Borrower's or such Restricted Subsidiary's direct and/or indirect percentage ownership of such joint venture or minority investee and (y) the EBITDA (calculated in accordance with this definition) of such joint venture or minority investee.

Unless otherwise qualified, all references to "Consolidated EBITDA" in this Agreement shall refer to Consolidated EBITDA of the Borrower.

- "***Consolidated Net First Lien Leverage***": at any date, (a) the aggregate principal amount of all senior secured Funded Debt of the Borrower and its Restricted Subsidiaries on such date that is secured by a lien on the Collateral (unless the lien securing such Funded Debt is junior or subordinated to the liens of the Lenders with respect to the ABL Facility First Priority Collateral and the Liens of the lenders under any Term Pari Passu Obligations), ***minus*** (b) Unrestricted Cash of the Loan Parties on such date, in each case determined on a consolidated basis in accordance with GAAP.

- "***Consolidated Net First Lien Leverage Ratio***": as of any date of determination, the ratio of (a) Consolidated Net First Lien Leverage on such date to (b) Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the most recently ended Test Period.

- "***Consolidated Net Income***": of any Person for any period, shall mean the consolidated net income (or loss) of such Person and its Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; ***provided***, that in calculating Consolidated Net Income of the Borrower and its consolidated Restricted Subsidiaries for any period:

(a) the income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with the Borrower or any of its Restricted Subsidiaries shall be excluded;

(b) the income (or loss) of any Person that is not a subsidiary of such Person, or is an Unrestricted Subsidiary, or that is accounted for by the equity method of accounting shall be excluded, except to the extent of dividends, return of capital or similar distributions actually received by such Person or its Restricted Subsidiaries (which dividends, return of capital and distributions shall be included in the calculation of Consolidated Net Income);

(c) (i) any net unrealized gains and losses resulting from fair value accounting required by FASB ASC 815 (including as a result of the mark-to-market of obligations of Hedge Agreements and other derivative instruments) and (ii) any net unrealized gains and losses resulting in such period from

currency translation losses (or similar charges) related to currency re-measurements of Indebtedness or other liabilities or from currency fluctuations, in each case shall be excluded;

(d) any net unrealized gains and losses relating to mark-to-market of amounts denominated in foreign currencies resulting from the application of FASB ASC 830 (including net unrealized gain and losses from exchange rate fluctuations on intercompany balances and balance sheet items) shall be excluded;

(e) the cumulative effect of a change in accounting principles during such period shall be excluded;

(f) non-cash interest expense resulting from the application of Accounting Standards Codification Topic 470-20 "Debt—Debt with Conversion Options—Recognition" shall be excluded;

(g) any charges resulting from the application of FASB ASC 805 "Business Combinations," FASB ASC 350 "Intangibles—Goodwill and Other," FASB ASC 360-10-35-15 "Impairment or Disposal of Long-Lived Assets," FASB ASC 480-10-25-4 "Distinguishing Liabilities from Equity—Overall—Recognition" or FASB ASC 820 "Fair Value Measurements and Disclosures" shall be excluded;

(h) effects of purchase accounting adjustments (including the effects of such adjustments pushed down to such person and its subsidiaries) in component amounts required or permitted by GAAP, resulting from the application of purchase accounting or the amortization or write-off of any amounts thereof, net of taxes, shall be excluded;

(i) any income (or loss) for such period attributable to the early extinguishment or buy-back of indebtedness, Hedge Agreements or other derivative instruments shall be excluded;

(j) any non-cash charges for deferred tax asset valuation allowances shall be excluded;

(k) any other non-cash charges (including goodwill or asset impairment charges), expenses or losses, including write-offs and write-downs (including in respect of unamortized debt issuance costs and deferred financing fees) and any non-cash cost related to the termination of any employee pension benefit plan (except to the extent such charges, expenses or losses represent an accrual of or reserve for cash expenses in any future period or an amortization of a prepaid cash expense paid in a prior period) shall be excluded;

(l) non-cash stock-based and other equity-based compensation expenses (including those realized or resulting from stock option plans, employee benefit plans, post-employment benefit plans, grants of sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights) shall be excluded;

(m) the Transaction Costs shall be excluded;

(n) any losses in respect of equity earnings for such period (other than in respect of losses from equity in affiliates) shall be excluded; and

(o) gains and losses from the Specified Dispositions and the consolidated net income (or loss) of any Person or Properties constituting a division or line of business of any business entity, division or line of business or fixed asset, in each case, Disposed of, abandoned, closed or discontinued by Holdings, the Borrower or any of the Restricted Subsidiaries during such period other than in the ordinary

course of business, or of any Subsidiary designated as an Unrestricted Subsidiary during such period, shall be excluded for such period (assuming the consummation of such Disposition or such designation, as the case may be, occurred on the first day of such period).

Unless otherwise qualified, all references to "Consolidated Net Income" in this Agreement shall refer to Consolidated Net Income of the Borrower.

- "***Consolidated Net Interest Expense***": of any Person for any period, (a) the sum of (i) total cash interest expense (including that attributable to Capital Lease Obligations) of such Person and its Restricted Subsidiaries for such period with respect to all outstanding Indebtedness of such Person and its Restricted Subsidiaries, ***plus*** (ii) all cash dividend payments (excluding items eliminated in consolidation) on any series of Disqualified Capital Stock of such Person made during such period, ***minus*** (b) the sum of (i) total cash interest income of such Person and its Restricted Subsidiaries for such period (excluding any interest income earned on receivables due from customers), in each case determined in accordance with GAAP, ***plus*** (ii) any one time financing fees (to the extent included in such Person's consolidated interest expense for such period), including, with respect to the Borrower, those paid in connection with the Loan Documents or in connection with any amendment thereof. Unless otherwise qualified, all references to "***Consolidated Net Interest Expense***" in this Agreement shall refer to Consolidated Net Interest Expense of the Borrower and its Restricted Subsidiaries. For purposes of the foregoing, interest expense shall be determined after giving effect to any net payments actually made or received by the Borrower or any Subsidiary with respect to interest rate Hedge Agreements.

- "***Consolidated Net Secured Leverage***": at any date, (a) the aggregate principal amount of all senior secured Funded Debt of the Borrower and its Restricted Subsidiaries on such date, ***minus*** (b) Unrestricted Cash of the Loan Parties on such date, in each case determined on a consolidated basis in accordance with GAAP.

- "***Consolidated Net Secured Leverage Ratio***": as of any date of determination, the ratio of (a) Consolidated Net Secured Leverage on such date to (b) Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the most recently ended Test Period.

- "***Consolidated Net Total Leverage***": at any date, (a) the aggregate principal amount of all Funded Debt of the Borrower and its Restricted Subsidiaries on such date, ***minus*** (b) Unrestricted Cash of the Loan Parties on such date, in each case determined on a consolidated basis in accordance with GAAP.

- "***Consolidated Net Total Leverage Ratio***": as of any date of determination, the ratio of (a) Consolidated Net Total Leverage on such date to (b) Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the most recently ended Test Period.

- "***Consolidated Total Assets***": at any date, the total assets of the Borrower and its Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP, as shown on the consolidated balance sheet of the Borrower and its Restricted Subsidiaries for the most recently completed fiscal quarter for which financial statements have been delivered pursuant to **Section 6.1**, or prior to the first such delivery, the pro forma financial statements referred to in **Section 5.1(o)**, determined on a pro forma basis.

- "***Contractual Obligation***": as to any Person, any provision of any security issued by such Person or of any written or recorded agreement, instrument or other undertaking to which such Person is a party or by which it or any of its Property is bound.

• "***Control Account***": a Securities Account or Commodity Account (as defined in the Guarantee and Collateral Agreement) that is the subject of an effective Securities Account Control Agreement and that is maintained by any Loan Party with an Approved Securities Intermediary. "***Control Account***" includes all Financial Assets held in a Securities Account or a Commodity Account and all certificates and instruments, if any, representing or evidencing the Financial Assets contained therein.

• "***Corresponding Tenor***": with respect to any Available Tenor, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

• "***Cost of Funds***": with respect to any Local Fronting Lender, the rate of interest which reflects the cost to such Local Fronting Lender of obtaining funds of the type utilized to fund any extension of credit to the relevant Borrower hereunder in the local market for the period during which such extension of credit is outstanding.

• "***Currency Sublimit***": with respect to any Local Fronting Lender, the amount from time to time equal to the amount of Dollars set forth under the heading "*Currency Sublimit*" on Schedule 2.4(b) as the same may be or may be deemed to be modified from time to time in accordance with the terms of this Agreement; collectively as to all Local Fronting Lenders, the "***Currency Sublimits***".

• "***Customary Permitted Liens***": means Liens permitted by **clauses (a)**, **(b)**, **(c)(i)**, **(d)** and **(e)** of **Section 7.3**.

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

• "***Debt Fund Affiliate***": means any Affiliate of a Person that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course and with respect to which such Person does not, directly or indirectly, possess the power to direct or cause the direction of the investment policies of such Affiliate.

• "***Debtor Relief Laws***": means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement (including any arrangement provisions of the Canada Business Corporations Act (Canada) or any other applicable corporation legislation under the laws of any Province or Territory of Canada), receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

• "***Default***": any of the events specified in **Section 8.1**, whether or not any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

• "***Defaulting Lender***": means, subject to **Section 2.7(a)**, any Lender that

aa. has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent

and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, any Issuing Lender, any 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, Swingline Loans or Protective Advances) within two Business Days of the date when due,

ab. has notified the Borrower, a Local Borrowing Subsidiary, the Administrative Agent or any Issuing Lender or Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied),

ac. has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (***provided*** that such Lender shall cease to be a Defaulting Lender pursuant to this **clause (c)** upon receipt of such written confirmation by the Administrative Agent and the Borrower), or

ad. has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) become the subject of a Bail-in Action; ***provided*** that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of **clauses (a)** through **(d)** above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to **Section 2.7(a)**) upon delivery of written notice of such determination to the Borrower, each Issuing Lender, each Swingline Lender and each Lender.

- "***Deposit Account***": as defined in the UCC.

- "***Deposit Account Bank***": a financial institution selected by a Loan Party and reasonably satisfactory to the Administrative Agent.

- "***Deposit Account Control Agreement***": as defined in the Guarantee and Collateral Agreement.

- "***Designated Additional Obligation Pari Passu Distribution Amount***": as defined in **Section 9.12(c)**.

- "***Designated Hedge Pari Passu Distribution Amount***": as defined in **Section 9.12(b)**.

- "***Designated Jurisdiction***": any country or territory that is the target of comprehensive Sanctions (as of the date of this Agreement, Iran, Sudan, Syria, Cuba, North Korea, and Crimea).

- "***Designated Non-cash Consideration***": the Fair Market Value of non-cash consideration received by the Borrower or one of its Restricted Subsidiaries in connection with a Disposition that is so designated as Designated Non-cash Consideration pursuant to an officer's certificate, setting forth the basis of such valuation, less the amount of cash and Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration within 180 days of receipt thereof.

- "***Designated Term Loan Agent***": as defined in the ABL Intercreditor Agreement.

- "***Designation Date***": as defined in **Section 2.26(f)**.

- "***Dilution***": as of any date of determination, a percentage concerning dilution of Accounts of the Loan Parties as set forth in the most recent field examination with respect to Eligible Receivables included in the Borrowing Base without duplication of any exclusion from the definition of "Eligible Receivables," during the 12 month period covered by such report.

- "***Dilution Reserve***": effective as of five Business Days after the date of written notice of any determination thereof to the Company by the Administrative Agent (which notice shall include a reasonable description of the basis for such determination), an amount equal to (a) if Dilution is less than or equal to five percent (5%), $0, and (b) if Dilution is greater than five percent (5%), an amount determined by the Administrative Agent in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, not to exceed the amount sufficient to reduce the advance rate against Eligible Receivables set forth in the definition of the Tranche A Borrowing Base and the Tranche B Borrowing Base by one percentage point in the aggregate for each percentage point by which Dilution is in excess of five percent (5%).

- "***Disinterested Director***": as defined in **Section 7.9**.

- "***Disposition***": with respect to any Property, any sale, sale and leaseback, assignment, conveyance, transfer or other disposition thereof, in each case, to the extent the same constitutes a complete sale, sale and leaseback, assignment, conveyance, transfer or other disposition, as applicable. The terms "***Dispose***" and "***Disposed of***" shall have correlative meanings.

- "***Disqualified Capital Stock***": Capital Stock that (a) requires the payment of any dividends (other than dividends payable solely in shares of Qualified Capital Stock), (b) matures or is mandatorily redeemable or subject to mandatory repurchase or redemption or repurchase at the option of the holders thereof (other than solely for Qualified Capital Stock), in each case in whole or in part and whether upon the occurrence of any event, pursuant to a sinking fund obligation on a fixed date or otherwise (including as the result of a failure to maintain or achieve any financial performance standards) or (c) are convertible or exchangeable, automatically or at the option of any holder thereof, into any Indebtedness, Capital Stock or other assets other than Qualified Capital Stock, in the case of each of **clauses (a)**, **(b)** and **(c)**, prior to the date that is 91 days after the Latest Maturity Date in effect on the date such Capital Stock is issued (other than (i) upon payment in full of the Obligations (other than (x) indemnification and other contingent obligations not yet due and owing and (y) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations) or (ii) upon a "change in control"; ***provided***, that any payment required pursuant to this

**clause (ii)** is subject to the prior repayment in full of the Obligations (other than (x) indemnification and other contingent obligations not yet due and owing and (y) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations) that are then accrued and payable and the termination of the Commitments); ***provided***, ***further***, ***however***, that if such Capital Stock is issued to any employee or to any plan for the benefit of employees of Holdings, the Borrower or the Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by Holdings, the Borrower or a Subsidiary in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability.

• "***Disqualified Institution***": (i) those institutions identified by the Borrower in writing to the Administrative Agent prior to the Amendment No. 7 Effective Date and (ii) business competitors of Holdings and its Subsidiaries identified by Borrower in writing to the Administrative Agent from time to time and, in the case of **clauses (i)** and **(ii)** any known Affiliates readily identifiable by name (other than, in the case of **clause (ii)**, any Debt Fund Affiliates). A list of the Disqualified Institutions will be posted by the Administrative Agent on the Platform and available for inspection by all Lenders. Any designation of Disqualified Institutions by the Borrower at any time after the Closing Date in accordance with the foregoing shall not apply retroactively to disqualify any Person that has previously acquired an assignment or participation interest in any Facility.

• "***Do not have Unreasonably Small Capital***": the Borrower and its Subsidiaries taken as a whole after consummation of the Transactions is a going concern and has sufficient capital to reasonably ensure that it will continue to be a going concern for the period from the date hereof through the Latest Maturity Date.

• "***Dollar Equivalent***": at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Permitted Foreign Currency, the equivalent amount thereof in Dollars at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Permitted Foreign Currency.

• "***Dollars***" and "***$***": dollars in lawful currency of the United States.

• "***Domestic Subsidiary***": any direct or indirect Restricted Subsidiary that (i) is organized under the laws of any jurisdiction within the United States and (ii) is not a direct or indirect Subsidiary of a Foreign Subsidiary.

• "***Draft***": a draft that is (a) in a form customary in the relevant jurisdiction for acceptance and discount as a bankers' acceptance, (b) otherwise reasonably acceptable in form and substance to the relevant Local Fronting Lender, (c) stated to mature on the date which is 30, 60, 90 or 180 days after the date thereof (or such other maturity as is agreeable to the relevant Local Fronting Lender, in its sole discretion) and (d) duly completed and executed by the relevant Local Borrowing Subsidiary.

• "***Early Opt-in Election***": if the then-current Benchmark is a LIBOR, the occurrence of the following on or after December 31, 2020:

• (1) (a) with respect to Dollars, a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollars denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such

syndicated credit facilities are identified in such notice and are publicly available for review); or (b) with respect to a Non-Hardwired Currency utilizing a LIBOR, a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding syndicated credit facilities which include such Non-Hardwired Currency at such time in the U.S. syndicated loan market contain or are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace the then current Benchmark with respect to such Non-Hardwired Currency as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

- (2) in each case, the joint election by the Administrative Agent and the Borrower to trigger a fallback from the applicable then-current Benchmark and the provision by the Administrative Agent of written notice of such election to the Lenders.

- "***EEA Financial Institution***": (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***": any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

- "***EEA Resolution Authority***": any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

- "***Eligibility Reserve***": effective as of five Business Days after the date of written notice of any determination thereof to the Company by the Administrative Agent (which notice shall include a reasonable description of the basis for such determination), such amounts as the Administrative Agent, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, may from time to time establish, against the gross amounts of Eligible Receivables, Eligible Inventory, Eligible Equipment and Eligible Real Property to reflect risks or contingencies arising after the Closing Date that may adversely affect any one or more class of such items and that have not already been taken into account in the calculation of the Tranche A Borrowing Base and the Tranche B Borrowing Base; ***provided*** that no such Eligibility Reserve will be established with respect to such matters that have been taken into account in the determination of any Dilution Reserve or Availability Reserve; ***provided***, ***further***, that any Eligibility Reserve with respect to the Tranche A Borrowing Base shall not be duplicative of (but may be additive to) any Eligibility Reserve with respect to the Tranche B Borrowing Base and any Eligibility Reserve with respect to the Tranche B Borrowing Base shall not be duplicative of (but may be additive to) any Eligibility Reserve with respect to the Tranche A Borrowing Base. For the avoidance of doubt, Eligibility Reserves shall not be established in respect of any dilution risks or contingencies, which shall be reserved against by way of Dilution Reserves.

- "***Eligible Assignee***": any Person that meets the requirements to be an assignee under **Section 10.6(b)** (subject to receipt of such consents, if any, as may be required for the assignment of the applicable Loan or Commitment to such Person under **Section 10.6(b)(i)**).

• "***Eligible Bulk Inventory***": the Eligible Inventory of the Company or any Subsidiary Guarantor consisting of "*Bulk*," as defined in Exhibit Q.

• "***Eligible Equipment***": the Equipment of the Company or any Subsidiary Guarantor:

(a) that is owned solely by the Company or such Subsidiary Guarantor;

(b) with respect to which the Collateral Agent has a valid, perfected and enforceable first-priority Lien (subject to Liens permitted under **Section 7.3**);

(c) with respect to which no representation or warranty contained in any Loan Document has been breached in any material respect (unless otherwise agreed by the Administrative Agent);

(d) that is not, in the Administrative Agent's sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, obsolete or unmerchantable; and

(e) that the Administrative Agent deems to be Eligible Equipment, based on such credit and collateral considerations as the Administrative Agent may, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, deem appropriate.

No Equipment of the Company or any Subsidiary Guarantor shall be Eligible Equipment if such Equipment is located, stored, used or held at the premises of a third party unless (i) the Administrative Agent shall have received a Landlord Waiver or Bailee's Letter or (ii) an Eligibility Reserve reasonably satisfactory to the Administrative Agent shall have been established with respect thereto; ***provided***, ***however***, that no such exclusion from Eligible Equipment on the basis of this sentence shall be in effect during the first 60 days after the Closing Date (or such later date as the Administrative Agent may agree in its sole discretion).

• "***Eligible Finished Goods***": the Eligible Inventory of the Company or any Subsidiary Guarantor that is classified, consistent with past practice, on the Company's or such Subsidiary Guarantor's accounting system as "*finished goods*" (including tote).

• "***Eligible Inventory***": the Inventory of the Company or any Subsidiary Guarantor (other than any Inventory that has been consigned by the Company or such Subsidiary Guarantor) including raw materials, work-in-process, finished goods (including tote), parts and supplies:

ae. that is owned solely by the Company or such Subsidiary Guarantor;

af. with respect to which the Collateral Agent has a valid, perfected and enforceable first-priority Lien (subject to Customary Permitted Liens and, to the extent a Reserve has been established in respect thereof, other Liens approved by the Administrative Agent);

ag. with respect to which no representation or warranty contained in any Loan Document has been breached in any material respect (unless otherwise agreed by the Administrative Agent);

ah. that is not, in the Administrative Agent's sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, obsolete or

unmerchantable (after taking into account, without duplication, slow-moving obsolete inventory deducted from the calculation of the perpetual inventory at standard cost of such Inventory, as applicable);

ai. with respect to which (in respect of any Inventory labeled with a brand name or trademark and sold by the Company or any Subsidiary Guarantor pursuant to a trademark owned by the Company or such Subsidiary Guarantor or a license granted to the Company or such Subsidiary Guarantor) the Collateral Agent would have rights under such trademark or license pursuant to the Guarantee and Collateral Agreement or other agreement reasonably satisfactory to the Administrative Agent to sell such Inventory in connection with a liquidation thereof;

aj. that is located

i.in the United States, the United Kingdom and, at the Company's option, in Puerto Rico or Canada, or

ii.in other jurisdictions if acceptable to the Administrative Agent, the Required Tranche A Revolving Lenders and the Required SISO Term Lenders in their sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions (which approval, in the case of the Required Tranche A Revolving Lenders and Required SISO Term Lenders, may be given by e-mail from such Lenders (or their counsel));

***provided***, ***however***, that, without the prior written consent of the Required Tranche A Revolving Lenders and Required SISO Term Lenders (in each case, which consent may be by e-mail from such Lenders (or their counsel)), the aggregate amount of the Tranche A Borrowing Base and Tranche B Borrowing Base consisting of Eligible Inventory under this **clause (f)(ii)** and Eligible Receivables under **clause (f)(ii)** of the definition of "***Eligible Receivables***" attributable to such other jurisdictions, excluding, for the avoidance of doubt, Puerto Rico and Canada, shall not exceed $60,000,000 at any time); and

ak. that the Administrative Agent deems to be Eligible Inventory based on such credit and collateral considerations as the Administrative Agent may, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, deem appropriate.

No Inventory of the Company or any Subsidiary Guarantor shall be Eligible Inventory if such Inventory consists of:

(i) goods returned or rejected by customers other than goods that are undamaged or are resalable in the normal course of business;

(ii) goods to be returned to suppliers;

(iii) goods in transit; or

(iv) goods located, stored, used or held at the premises of a third party unless (A) the Administrative Agent shall have received a Landlord Waiver or Bailee's Letter or (B) an Eligibility Reserve reasonably satisfactory to the Administrative Agent shall have been established with respect thereto; ***provided***, ***however***, that no such exclusion from Eligible Inventory on the basis of this **clause (iv)** shall be in effect during the first 60 days after the Closing Date (or such longer date as the Administrative Agent may agree in its sole discretion).

• "***Eligible Prime Finished Goods***": Eligible Finished Goods of the Company or any Subsidiary Guarantor (other than Eligible Special Markets Inventory and Eligible Tote Stores Inventory) that are not discontinued, damaged or returned and unsuitable for sale to the Company's or such Subsidiary Guarantor's primary retail customers.

• "***Eligible Raw Materials***": the Eligible Inventory of the Company or any Subsidiary Guarantor (other than Eligible Bulk Inventory) that is classified, consistent with past practice, on the Company's or such Subsidiary Guarantor's accounting system as "*raw materials*," "*components*," "*supplies*" or "*packaging*".

• "***Eligible Real Property***": any parcel of owned Real Property in the United States owned by the Company or any Subsidiary Guarantor as to which each of the following conditions has been satisfied at such time:

al. (i) a valid and enforceable first-priority Lien on such parcel of Real Property (subject to Customary Permitted Liens and, to the extent a Reserve has been established in respect thereof, other Liens approved by the Administrative Agent) shall have been granted by the Company or such Subsidiary Guarantor in favor of the Collateral Agent pursuant to a Mortgage and (ii) such Lien shall be in full force and effect in favor of the Collateral Agent at such time;

am. except as otherwise permitted by the Administrative Agent, the Administrative Agent and, where applicable, the relevant title insurance company shall have received in form and substance reasonably satisfactory to the Administrative Agent, all Mortgage Supporting Documents in respect of such parcel;

an. the Administrative Agent shall have received an Appraisal with respect to such parcel of Real Property in form and substance reasonably satisfactory to the Administrative Agent (which shall include the requirement that such Appraisal be compliant with the Financial Institutions Reform, Recovery and Enforcement Act of 1989) and performed by an appraiser that is reasonably satisfactory to the Administrative Agent;

ao. no condemnation or taking by eminent domain shall have occurred nor shall any notice of any pending or threatened condemnation or other proceeding against such parcel of Real Property been delivered to the owner or lessee of such parcel of Real Property that would materially adversely affect the use, operation or value of such parcel of Real Property;

ap. the mortgagor under the relevant Mortgage encumbering such parcel of Real Property shall comply in all material respects with the terms of such Mortgage (taking into account any applicable grace periods provided therein); and

aq. the mortgagor has provided to the Administrative Agent evidence of flood hazard insurance if any portion of the improvements on the owned Real Property is currently or at any time in the future identified by the Federal Emergency Management Agency as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968 (and any amendment or successor act thereto) or otherwise being designated as a "special flood hazard area or part of a 100 year flood zone", in an amount equal to 100% of the full replacement cost of the improvements; ***provided***, ***however***, that a portion of such flood hazard insurance may be obtained under the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973 or the National Flood Insurance Reform Act of 1994, as each may be amended.

• "***Eligible Receivable***": the gross outstanding balance of each Account of the Company or any Subsidiary Guarantor arising out of the sale of merchandise, goods or services in the ordinary course of business, that is made by the Company or such Subsidiary Guarantor to a Person that is not an Affiliate of the Company (a "***Receivable***") and that constitutes ABL Facility First Priority Collateral in which the Collateral Agent has a valid, perfected and enforceable first priority Lien; ***provided***, ***however***, that an Account shall not be an "***Eligible Receivable***" if any of the following shall be true:

ar. (i) the sale represented by such Account (other than with respect to seasonal dating or promotional sales) is to an Account Debtor and such Account is the earlier of (x) 90 days past the original invoice date thereof and (y) 60 days past due or (ii) the sale represented by such Account is with respect to seasonal dating or promotional sales and such Account is 120 days past the original invoice date thereof; or

as. any representation or warranty contained in this Agreement or any other Loan Document with respect to such specific Account is not true and correct with respect to such Account in any material respect (or if qualified by materiality, in all respects) (unless otherwise agreed by the Administrative Agent); or

at. the Account Debtor on such Account has disputed liability or made any claim with respect to any other Account due from such Account Debtor to the Company or such Subsidiary Guarantor but only to the extent of such dispute or claim; or

au. the Account Debtor on such Account has (i) filed a petition for bankruptcy or any other relief under the Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization or relief of debtors, (ii) made an assignment for the benefit of creditors, (iii) had filed against it any petition or other application for relief under any Debtor Relief Law, (iv) failed, suspended business operations, become insolvent, called a general meeting of its creditors for the purpose of obtaining any financial concession or accommodation or (v) had or suffered a receiver or a trustee to be appointed for all or a significant portion of its assets or affairs and, in each case, such event is continuing; or

av. the Account Debtor on such Account or any of its Affiliates is also a supplier to or creditor of the Company or such Subsidiary Guarantor unless such supplier or creditor has executed a no offset letter satisfactory to the Administrative Agent, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions; or

aw. the sale represented by such Account is to an Account Debtor with a principal place of business located outside the United States, the United Kingdom, or, at the Company's option Puerto Rico or Canada, unless

(i) the sale is on letter of credit or acceptance terms acceptable to the Administrative Agent, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions and (A) such letter of credit names the Collateral Agent as beneficiary for the benefit of the Secured Parties or (B) the issuer of such letter of credit has consented to the assignment of the proceeds thereof to the Collateral Agent or

(ii) such sale is to an Account Debtor located in another jurisdiction acceptable to the Administrative Agent, the Required Tranche A Revolving Lenders and the Required SISO Term Lenders in their sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions (which approval, in the case of the Required

Tranche A Revolving Lenders and the Required SISO Term Lenders, may be given by e-mail from such Lenders (or their counsel));

***provided***, ***however***, that, without the prior written consent of the Required Tranche A Revolving Lenders and the Required SISO Term Lenders (in each case, which consent may be by e-mail from such Lenders (or their counsel)), the aggregate amount of the Tranche A Borrowing Base and Tranche B Borrowing Base consisting of Eligible Receivables under this **clause (f)(ii)** and Eligible Inventory under **clause (f)(ii)** of the definition of "***Eligible Inventory***" attributable to such other jurisdictions, excluding, for the avoidance of doubt, Canada or Puerto Rico, shall not exceed $60,000,000 at any time; or

ax. the sale to such Account Debtor on such Account is on a bill on hold, guaranteed sale, sale and return, sale on approval or consignment basis; or

ay. such Account is subject to a Lien in favor of any Person other than the Collateral Agent for the benefit of the Secured Parties (other than Customary Permitted Liens and, to the extent a Reserve has been established in respect thereof, other Liens approved by the Administrative Agent); or

az. such Account is subject to any deduction, offset, counterclaim, return privilege or other conditions other than volume sales discounts given in the ordinary course of the Company's business; ***provided***, ***however***, that such Account shall be ineligible pursuant to this **clause (i)** only to the extent of such deduction, offset, counterclaim, return privilege or other condition; or

ba. the Account Debtor on such Account is located in any State of the United States requiring the holder of such Account, as a precondition to commencing or maintaining any action in the courts of such State either to (i) receive a certificate of authorization to do business in such State or be in good standing in such State or (ii) file a Notice of Business Activities Report with the appropriate office or agency of such State, in each case unless the holder of such Account has received such a certificate of authority to do business, is in good standing or, as the case may be, has duly filed such a notice in such State; or

bb. the sale represented by such Account is denominated in a currency other than Dollars, Pounds, Euros, Canadian Dollars or such other currency acceptable to the Administrative Agent in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions; or

bc. such Account is not evidenced by an invoice or other writing in form acceptable to the Administrative Agent, in its sole discretion exercised reasonably; or

bd. the Company or such Subsidiary Guarantor, in order to be entitled to collect such Account, is required to perform any additional service for, or perform or incur any additional obligation to, the Person to whom or to which it was made; or

be. (i) with respect to any Account Debtor with a corporate credit rating of A- or higher from S&P or A3 or higher from Moody's, the total Accounts of such Account Debtor to the Company or such Subsidiary Guarantor that would otherwise constitute Eligible Receivables but for the application of this **clause (n)** represent more than 35% of the Eligible Receivables of the Company and the Subsidiary Guarantors at such time,

(ii) with respect to any Account Debtor with a corporate credit rating lower than A- but BBB- or higher from S&P or lower than A3 but Baa3 or higher from Moody's, the total

Accounts of such Account Debtor to the Company or such Subsidiary Guarantor that would otherwise constitute Eligible Receivables but for the application of this **clause (n)** represent more than 25% of the Eligible Receivables of the Company and the Subsidiary Guarantors at such time or

(iii) with respect to any Account Debtor with a corporate credit rating lower than BBB- or no rating from S&P or lower than Baa3 or no rating from Moody's, the total Accounts of such Account Debtor to the Company or such Subsidiary Guarantor that would otherwise constitute Eligible Receivables but for the application of this **clause (n)** represent more than 15% of the Eligible Receivables of the Company and the Subsidiary Guarantors at such time, but in each case, only to the extent of such excess;

***provided***, ***however***, that (A) at the sole discretion of the Administrative Agent exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, the total Accounts of CVS Caremark Corporation, collectively, as Account Debtors to the Company or any Subsidiary Guarantor that would otherwise constitute Eligible Receivables but for the application of this **clause (n)** may represent up to, but not to exceed, 30% of the Eligible Receivables of the Company and the Subsidiary Guarantors at such time, (B) for purposes of this **clause (n)**, any parent entity of an Account Debtor may satisfy the corporate credit rating conditions in respect of such Account Debtor; ***provided*** that if both an Account Debtor and the parent of an Account Debtor have corporate credit ratings, the corporate credit rating of the Account Debtor shall govern and (C) in the event of any change to an applicable corporate credit rating scale after the Closing Date, each reference in this **clause (n)** to a corporate credit rating shall be adjusted to the corporate rating under such changed corporate credit rating scale that is equivalent to such corporate credit rating referred to in this **clause (n)** as of the Closing Date (for the avoidance of doubt, corporate credit ratings of an Account Debtor shall be determined on the applicable date of determination); or

bf. the Administrative Agent, in accordance with its customary criteria, determines, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, deem appropriate, that such Account might not be paid or is otherwise ineligible.

• "***Eligible Special Markets Inventory***": Eligible Finished Goods of the Company or any Subsidiary Guarantor consisting of finished goods for "*Special Markets*," as defined in Exhibit Q.

• "***Eligible Tote Stores Inventory***": Eligible Finished Goods of the Company or any Subsidiary Guarantor consisting of "*Tote Stores*," as defined in Exhibit Q.

• "***Eligible Work-in-Process Inventory***": a class of Eligible Inventory consisting of the Eligible Inventory of the Company or any Subsidiary Guarantor that is classified, consistent with past practice, on the Company's or such Subsidiary Guarantor's accounting system as "*work-in-process*".

• "***Entitlement Holder***" as defined in the UCC.

• "***Entitlement Order***" as defined in the UCC.

• "***Environmental Laws***": any and all laws, rules, orders, regulations, statutes, ordinances, codes or decrees (including principles of common law) of any international authority, foreign government, the United States, or any state, provincial, local, municipal or other Governmental Authority, regulating, relating to or imposing liability or standards of conduct concerning pollution, the preservation

or protection of the environment, natural resources or human health and safety (as related to Releases of or exposure to Materials of Environmental Concern), as have been, are now, or at any time hereafter are, in effect.

- "***Environmental Liability***": any liability, claim, action, suit, judgment or order under or relating to any Environmental Law for any damages, injunctive relief, losses, fines, penalties, fees, expenses (including reasonable fees and expenses of attorneys and consultants) or costs, whether contingent or otherwise, to the extent arising from or relating to: (a) non-compliance with any Environmental Law or any permit, license or other approval required thereunder, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Materials of Environmental Concern, (c) exposure to any Materials of Environmental Concern, (d) the Release or threatened Release of any Materials of Environmental Concern, (e) any investigation, remediation, removal, clean-up or monitoring required under Environmental Laws or required by a Governmental Authority (including without limitation Governmental Authority oversight costs that the party conducting the investigation, remediation, removal, clean-up or monitoring is required to reimburse) or (f) any contract, agreement or other consensual arrangement pursuant to which any Environmental Liability under **clause (a)** through **(e)** above is assumed or imposed.

- "***Equipment***": as defined in the UCC.

- "***Equity Issuance***": any issuance by the Borrower or any Restricted Subsidiary of its Capital Stock in a public or private offering.

- "***ERISA***": the Employee Retirement Income Security Act of 1974, as amended from time to time.

- "***Escrow Entity***": any direct or indirect Subsidiary of the Borrower formed solely for the purposes of issuing any bonds, notes, term loans, debentures or other debt.

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

- "***Eurocurrency Base Rate***": for any Interest Period with respect to a Eurocurrency Loan, the rate per annum equal to (i) the London Interbank Offered Rate (the ICE Benchmark Administration Limited LIBOR Rate as published by Bloomberg or any other commercially available source providing quotations of ICE LIBOR as designated by the Administrative Agent from time to time, "***LIBOR***") or a comparable or successor rate, which is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or other commercially available source providing quotations of LIBOR as may be designated by the Administrative Agent from time to time (or in the case of Local Loans which are Eurocurrency Loans in which the Revolving Lenders have not been requested to purchase a participating interest pursuant to **Section 2.32(a)**, the relevant Local Fronting Lender)) at approximately 11:00 a.m., London time, two London Business Days prior to the commencement of such Interest Period, (or, with respect to Local Loans, such other time as is customary for the relevant jurisdiction) for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; ***provided*** that, if LIBOR shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement, or (ii) if such rate is not available at such time for any reason for such Interest Period (an "***Impacted Interest Period***"), then the Eurocurrency Base Rate shall be the Interpolated Rate; ***provided*** that, if any Interpolated Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

• "***Eurocurrency Loans***": Loans, Local Loans or Acceptances, as context may require, and in each case, the rate of interest applicable to which is based upon the Eurocurrency Rate.

• "***Eurocurrency Rate***": with respect to each day during each Interest Period pertaining to a Eurocurrency Loan, a rate per annum determined for such day in accordance with the following formula:

$$\frac{\text{Eurocurrency Base Rate}}{\text{1.00 - Eurocurrency Reserve Requirements}}$$

; ***provided, however,*** that the Eurocurrency Rate shall at no time be less than 1.75%.

• "***Eurocurrency Reserve Requirements***": for any day as applied to a Eurocurrency Loan, the aggregate (without duplication) of the maximum rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including basic, supplemental, marginal and emergency reserves) under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

• "***Eurocurrency Tranche***": the collective reference to Eurocurrency Loans under a particular Facility the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

• "***Event of Default***": any of the events specified in **Section 8.1**; ***provided***, that any requirement set forth therein for the giving of notice, the lapse of time, or both, has been satisfied.

• "***Excess Availability***": at any time, (a) the Maximum Availability ***minus*** (b) the aggregate Revolving Extensions of Credit then outstanding ***minus*** (c) the aggregate principal amount of all SISO Term Loans then outstanding.

• "***Excess Revolving Availability***": at any time, (a) the Maximum Revolving Availability ***minus*** (b) the aggregate Revolving Extensions of Credit then outstanding.

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

• "***Excluded Account***": as defined in the Guarantee and Collateral Agreement.

• "***Excluded Collateral***": as defined in **Section 6.8(e)**; ***provided*** that the Borrower may designate in a written notice to the Administrative Agent any asset not to constitute "Excluded Collateral", whereupon the Borrower shall be obligated to comply with the applicable requirements of **Section 6.8** as if it were newly acquired.

• "***Excluded Contribution Amount***" means the aggregate amount of Net Cash Proceeds received by the Borrower from Equity Issuances (other than from any of its Subsidiaries or from Disqualified Capital Stock) or capital contributions after the Amendment No. 4 Effective Date, ***minus*** the aggregate amount of (i) any Investments made pursuant to **Section 7.7(dd)** (net of any return of capital in respect of such Investment or deemed reduction in the amount of such Investment), (ii) [reserved] and (iii) any payments made pursuant to **Section 7.8(a)(ii)**, in each case made during the period commencing

on the Amendment No. 4 Effective Date through and including the date of usage of such Excluded Contribution Amount in reliance thereon (without taking account of the intended usage of the Excluded Contribution Amount as of such date), designated as an Excluded Contribution Amount pursuant to a certificate of a Responsible Officer on or promptly after the date on which such Net Cash Proceeds are received by the Borrower, as the case may be.

- "***Excluded Equity Securities***": (i) to the extent applicable law requires that any Subsidiary issue directors' qualifying shares, such shares or nominee or other similar shares, (ii) Capital Stock of any first-tier Foreign Subsidiary or any Foreign Subsidiary Holding Company in excess of 66% of the voting Capital Stock of such entity, (iii) any Capital Stock of any Foreign Subsidiary that is not a first-tier Foreign Subsidiary, (iv) any Capital Stock in joint ventures or other entities in which the Loan Parties directly own 50% or less of the Capital Stock, (v) any Capital Stock in Unrestricted Subsidiaries, and (vi) any other Capital Stock owned on or acquired after the Closing Date (other than Capital Stock in a wholly owned Subsidiary) in accordance with this Agreement but only in the case of this **clause (vi)** if, and to the extent that, and for so long as granting a security interest or other Liens therein would violate applicable law or regulation or a shareholder agreement or other contractual obligation (in each case, after giving effect to Section 9-406(d), 9-407(a) or 9-408 of the Uniform Commercial Code, if and to the extent applicable, and other applicable law) binding on such Capital Stock and not created in contemplation of such acquisition.

- "***Excluded Real Property***":

bg. any Real Property that is subject to a Lien expressly permitted by **Section 7.3(j)** (solely to the extent that the Indebtedness secured by such Lien would prohibit a Lien on such Real Property to secure the Obligations) or **Section 7.3(g)** (solely to the extent securing Indebtedness under **Sections 7.2(c)** or **7.2(t)**),

bh. any Real Property with respect to which, in the reasonable judgment of the Borrower and the Administrative Agent, the cost of providing a mortgage on such Real Property in favor of the Secured Parties under the Security Documents shall be excessive in view of the benefits to be obtained by the Lenders therefrom and

bi. any Real Property to the extent providing a mortgage on such Real Property would

i. result in material adverse tax consequences to Holdings or the Borrower or any of its Restricted Subsidiaries as reasonably determined by the Borrower (***provided***, that any such designation of Real Property as Excluded Real Property shall be subject to the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed)),

ii. violate any applicable Requirement of Law,

iii. be prohibited by any applicable Contractual Obligations (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code) to the extent such prohibition was not created in contemplation of a mortgage on such Real Property or

iv. give any other party (other than a Loan Party or a wholly-owned Subsidiary) to any contract, agreement, instrument or indenture governing such Real Property the right to terminate its obligations thereunder (other than customary non-assignment provisions which are ineffective under the Uniform Commercial Code or other applicable law) to the extent such right was not created in contemplation of a mortgage on such Real Property;

***provided*** that the Borrower may designate in a written notice to the Administrative Agent any Real Property not to constitute "Excluded Real Property", whereupon the Borrower shall be obligated to comply with the applicable requirements of **Section 6.8** as if it were newly acquired.

- "***Excluded Subsidiary***": any Subsidiary that is

bj. an Unrestricted Subsidiary,

bk. not wholly owned directly by the Borrower or one or more of its wholly owned Restricted Subsidiaries,

bl. an Immaterial Subsidiary,

bm. a Foreign Subsidiary Holding Company,

bn. established or created pursuant to **Section 7.7(p)** and meeting the requirements of the proviso thereto; ***provided***, that such Subsidiary shall only be an Excluded Subsidiary for the period, as contemplated by **Section 7.7(p)**,

bo. a Subsidiary that is prohibited by applicable Requirement of Law from guaranteeing or granting a Lien on its assets to secure obligations in respect of the Facilities, or which would require governmental (including regulatory) consent, approval, license or authorization to provide a guarantee or grant any Lien unless, such consent, approval, license or authorization has been received,

bp. a Subsidiary that is prohibited from guaranteeing or granting a Lien on its assets to secure obligations in respect of the Facilities by any Contractual Obligation in existence on the Closing Date (or, in the case of any newly-acquired Subsidiary, in existence at the time of acquisition thereof but not entered into in contemplation thereof) and not created in contemplation of such guarantee, ***provided***, that this **clause (g)** shall not be applicable if (1) the other party to such Contractual Obligation is a Loan Party or a wholly-owned Restricted Subsidiary of the Borrower or (2) consent has been obtained to provide such guarantee or such prohibition is otherwise no longer in effect,

bq. a Subsidiary with respect to which a guarantee by it of, or granting a Lien on its assets to secure obligations in respect of, the Facilities could reasonably be expected to result in material adverse tax consequences (including as a result of Section 956 of the Code or any related provision) to Holdings or the Borrower or any of its Restricted Subsidiaries, as reasonably determined in good faith by the Borrower,

br. not-for-profit subsidiaries,

bs. any Foreign Subsidiary or any Domestic Subsidiary of a Foreign Subsidiary,

bt. Subsidiaries that are special purpose entities, or

bu. any other Subsidiary with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to the Borrower), the cost or other consequences of guaranteeing or granting a Lien on its assets to secure obligations in respect of the Facilities shall be excessive in view of the benefits to be obtained by the Secured Parties therefrom;

***provided***, that (x) if a Subsidiary executes the Guarantee and Collateral Agreement as a "Guarantor," then it shall not constitute an "Excluded Subsidiary" (unless released from its obligations under the Guarantee and Collateral Agreement as a "Guarantor" in accordance with the terms hereof and thereof) and (y) the Borrower may designate in a written notice to the Administrative Agent a Subsidiary not to constitute an "Excluded Subsidiary" whereupon such Subsidiary shall be obligated to comply with the applicable requirements of **Section 6.8** as if it were newly acquired.

- "***Excluded Swap Obligation***": with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to any "keepwell, support or other agreement" for the benefit of such Guarantor and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Guarantee of such Guarantor, or a grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. 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 excluded in accordance with the first sentence of this definition.

- "***Excluded Taxes***": any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to any Recipient, (i) net income Taxes (however denominated), net profits Taxes, franchise Taxes, and branch profits Taxes (and net worth Taxes and capital Taxes imposed in lieu of net income Taxes), in each case, (A) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, if such Recipient is a Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (B) that are Other Connection Taxes, (ii) any U.S. federal withholding Taxes (including backup withholding) imposed on amounts payable to or for the account of such Recipient with respect to an applicable interest in a Loan or Commitment or this Agreement pursuant to a law in effect on the date on which (A) such Recipient becomes a party to this Agreement (other than pursuant to an assignment request by the Borrower under **Section 2.24**) or (B) if such Recipient is a Lender, such Lender changes its lending office, except in each case to the extent that, pursuant to **Section 2.20**, amounts with respect to such Taxes were payable either to such Recipient's assignor immediately before such Recipient became a party hereto or, if such Recipient is a Lender, to such Lender immediately before it changed its lending office, (iii) Taxes attributable to such Recipient's failure to comply with paragraphs (e) or (g), as applicable, of **Section 2.20** and (iv) any withholding Taxes imposed under FATCA.

- "***Existing Borrower Credit Agreements***": (a) the Third Amended and Restated Revolving Credit Agreement, dated as of June 16, 2011, among the Borrower and certain of its foreign subsidiaries, as borrowers, the lenders party thereto and Citicorp USA, Inc., as administrative agent and collateral agent and (b) the Third Amended and Restated Term Loan Agreement, dated as of May 19, 2011, among the Borrower, the lenders party thereto and Citicorp USA, Inc., as administrative agent and collateral agent, in each case as amended, modified, supplemented, extended, renewed, restated, refinanced, replaced or restructured prior to the Closing Date.

- "***Existing Credit Agreements***": the Existing Borrower Credit Agreements and the Existing Target Credit Agreements.

- "***Existing Letters of Credit***": Letters of Credit issued prior to, and outstanding on, the Closing Date pursuant to an Existing Credit Agreement and set forth on **Schedule 1.1C**.

- "***Existing Notes Financing***": collectively, the 2021 Notes and the 2024 Notes, together with any Permitted Refinancing thereof.

- "***Existing Revolving Loans***": as defined in **Section 2.26(a)**.

- "***Existing Revolving Tranche***": as defined in **Section 2.26(a)**.

- "***Existing Target Credit Agreements***": (a) the Third Amended and Restated Credit Agreement, dated as of January 21, 2011, by and among the Target, as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent and (b) the Credit Agreement (Second Lien) dated as of June 12, 2012, between the Target, as borrower, and JPMorgan Chase Bank, N.A., as administrative agent, in each case as amended, modified, supplemented, extended, renewed, restated, refinanced, replaced or restructured prior to the Closing Date.

- "***Existing Target Notes***": the Target's 7.375% senior notes due 2021.

- "***Extended Revolving Commitments***": as defined in **Section 2.26(a)**.

- "***Extended Revolving Tranche***": as defined in **Section 2.26(a)**.

- "***Extending Lender***": as defined in **Section 2.26(b)**.

- "***Extension***": as defined in **Section 2.26(b)**.

- "***Extension Amendment***": as defined in **Section 2.26(c)**.

- "***Extension Date***": as defined in **Section 2.26(d)**.

- "***Extension Election***": as defined in **Section 2.26(b)**.

- "***Extension Request***": as defined in **Section 2.26(a)**.

- "***Extension Series***": all Extended Revolving Commitments that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Revolving Commitments provided for therein are intended to be part of any previously established Extension Series) and that provide for the same interest margins and amortization schedule.

- "***Facility***": each of

bv. (i) the Tranche A Revolving Commitments and the extensions of credit (including Swingline Loans, Letters of Credit and Local Loans) made thereunder (the "***Tranche A Revolving Facility***"),

(ii) the SISO Term Loans (the "***SISO Term Facility***"),

bw. the Tranche B Term Loans (the "***Tranche B Term Facility***"),

bx. any Extended Revolving Commitments (of the same Extension Series) and the extensions of credit (including Swingline Loans, Letters of Credit and Local Loans) made thereunder (an "***Extended Revolving Facility***") and

by. any Refinancing Revolving Commitments of the same Tranche and the extensions of credit (including Swingline Loans, Letters of Credit and Local Loans) made thereunder,

it being understood that, (i) as of the Closing Date, the only Facility was the Tranche A Revolving Facility, (ii) as of the Amendment No. 5 Effective Date, the only Facilities were the Tranche A Revolving Facility and the Tranche B Term Facility, and (iii) as of the Amendment No. 7 Amendment Date, the only Facilities are the Tranche A Revolving Facility, the SISO Term Facility and the Tranche B Term Facility, and thereafter, the term "Facility" may include any other Tranche of Commitments and the extensions of credit thereunder.

- "***Fair Market Value***": with respect to any assets, Property (including Capital Stock) or Investment, the fair market value thereof as determined in good faith by the Borrower.

- "***Fair Value***": the amount at which the assets (both tangible and intangible), in their entirety, of the Borrower and its Subsidiaries taken as a whole and after giving effect to the consummation of the Transactions would change hands between a willing buyer and a willing seller, within a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, with neither being under any compulsion to act.

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

- "***Federal Funds Effective Rate***": for any day, the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it; ***provided***, that if the Federal Funds Effective Rate is less than zero, it shall be deemed to be zero hereunder for all instances other than in the definition of "ABR".

- "***Fee Letter***": the Project Rouge Fee Letter with respect to, among other facilities, the Initial Term B Facility, dated as of June 16, 2016, among the Borrower, Citigroup Global Markets Inc., Bank of America, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Credit Suisse AG, Cayman Islands Branch, Deutsche Bank AG New York Branch, Macquarie Capital Funding LLC and Barclays Bank PLC.

- "***Fee Payment Date***": (a) (i) other than with respect to the L/C Fronting Fee and the Tranche A Commitment Fee, the last Business Day of each March, June, September and December and (ii) with respect to the L/C Fronting Fee and the Tranche A Commitment Fee, the fifth Business Day after the last Business Day of each March, June, September and December and (b) the last day of the applicable Revolving Commitment Period.

- "***Financial Assets***": the meaning assigned to such term in the UCC.

- "***Financial Covenant Block***": as defined in **Section 7.1**.

- "***Fixed Basket***": as defined in **Section 1.6**.

- "***Fixed Basket Item or Event***": as defined in **Section 1.6**.

- "***Fixed Charge Coverage Ratio***": as of any date of determination, the ratio of (a) Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the most recently ended Test Period to (b) Fixed Charges of the Borrower and its Restricted Subsidiaries for such Test Period. In the event that the Borrower or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness or issues or redeems Disqualified Capital Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is being calculated, then the Fixed Charge Coverage Ratio will be calculated on a pro forma basis as if such incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness or issuance or redemption of Disqualified Capital Stock, and the use of the proceeds therefrom, had occurred at the beginning of the Test Period.

- "***Fixed Charges***": for any Test Period, the sum of, without duplication, (a) Consolidated Net Interest Expense and (b) the product of (x) all dividend payments on any series of Disqualified Capital Stock of the Borrower paid, accrued or scheduled to be paid or accrued during the applicable Test Period, times (y) a fraction, the numerator of which is one and the denominator of which is one ***minus*** the then current effective consolidated federal, state and local tax rate of the Borrower expressed as a decimal.

- "***Flood Insurance Laws***": 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 Asset-Based Term Facility***": that certain Asset-Based Term Loan Credit Agreement, dated as of March 2, 2021, among Revlon Finance LLC, as the borrower, Blue Torch Finance LLC, as the administrative agent, and the other parties party thereto.

- "***Foreign Subsidiary***": any Restricted Subsidiary of the Borrower that is not a Domestic Subsidiary in accordance with **clause (i)** of such definition and each direct or indirect Restricted Subsidiary of another Foreign Subsidiary.

- "***Foreign Subsidiary Holding Company***": any Restricted Subsidiary of the Borrower which is a Domestic Subsidiary substantially all of the assets of which consist of the Capital Stock (or Capital Stock and Indebtedness) of one or more Foreign Subsidiaries.

- "***Fronting Exposure***": as defined in **Section 2.6(f)**.

- "***Funded Debt***": with respect to any Person, (i) for purposes of the Consolidated Net First Lien Leverage Ratio and the Consolidated Net Secured Leverage Ratio, all Indebtedness of such Person of the types described in **clauses (a)**, **(b)(i)** and **(e)** of the definition of "Indebtedness" or, to the

extent related to Indebtedness of the types described in the preceding clauses (but without duplication), **(d)** of the definition of "Indebtedness", in each case, to the extent reflected as indebtedness on such Person's balance sheet and (ii) for purposes of the Consolidated Net Total Leverage Ratio, all Indebtedness of such Person of the types described in **clauses (a)**, **(b)(i)**, **(e)**, **(g)(ii)**, **(h)** or, to the extent related to Indebtedness of the types described in the preceding clauses (but without duplication), **(d)** of the definition of "Indebtedness", in each case, to the extent reflected as indebtedness on such Person's balance sheet.

- "***Funding Office***": the office of the Administrative Agent specified in **Section 10.2** or such other office as may be specified from time to time by the Administrative Agent as its funding office by written notice to the Borrower and the Lenders, or with respect to Local Fronting Lenders, the funding office thereof, as the context requires.

- "***GAAP***": generally accepted accounting principles in the United States as in effect from time to time. If at any time the SEC permits or requires U.S.-domiciled companies subject to the reporting requirements of the Exchange Act to use IFRS in lieu of GAAP for financial reporting purposes and the Borrower notifies the Administrative Agent that it will effect such change, without limiting **Section 10.16**, effective from and after the date on which such transition from GAAP to IFRS is completed by the Borrower, references herein to GAAP shall thereafter be construed to mean (a) for periods beginning on and after the required transition date or the date specified in such notice, as the case may be, IFRS as in effect from time to time and (b) for prior periods, GAAP as defined in the first sentence of this definition.

- "***Governmental Authority***": any nation or government, any state, province or other political subdivision thereof and any governmental entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and, as to any Lender, any securities exchange, any self-regulatory organization (including the National Association of Insurance Commissioners) and any supranational bodies (including the European Union and the European Central Bank).

- "***Guarantee***": collectively, the guarantee made by the Guarantors under the Guarantee and Collateral Agreement in favor of the Secured Parties, together with each other guarantee delivered pursuant to **Section 6.8**.

- "***Guarantee and Collateral Agreement***": the ABL Guarantee and Collateral Agreement, dated as of September 7, 2016, among the Borrower, each Subsidiary Guarantor from time to time party thereto and the Collateral Agent, substantially in the form of Exhibit A, as the same may be amended, supplemented, waived or otherwise modified from time to time.

- "***Guarantee Obligation***": as to any Person (the "***guaranteeing person***"), any obligation of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) pursuant to which the guaranteeing person has issued a guarantee, reimbursement, counterindemnity or similar obligation, in either case guaranteeing or by which such Person becomes contingently liable for any Indebtedness (the "***primary obligations***") of any other third Person (the "***primary obligor***") in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any Property constituting direct or indirect security therefor, (ii) to advance or supply funds (1) for the purchase or payment of any such primary obligation or (2) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor,

(iii) to purchase Property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; ***provided***, ***however***, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or ***collection*** in the ordinary course of business and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets or any Investment permitted under this Agreement. The amount of any Guarantee Obligation of any guaranteeing Person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case, the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof (assuming such person is required to perform thereunder) as determined by such Person in good faith.

- "***Guarantors***": the collective reference to Holdings, the Borrower (solely (i) for purposes of any Specified Cash Management Obligations, Specified Hedge Agreements and Specified Additional Obligations entered into by any Subsidiary Guarantor and (ii) for purposes of the Obligations of the Local Borrowing Subsidiaries hereunder) and the Subsidiary Guarantors.

- "***Hedge Agreements***": all agreements with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions, in each case, entered into by the Borrower or any Restricted Subsidiary; ***provided***, that no phantom stock, deferred compensation or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Holdings, the Borrower or any of its Subsidiaries shall be a Hedge Agreement.

- "***Hedge Bank***": with respect to any Hedge Agreement entered into by the Borrower or any Subsidiary Guarantor, any Person that was the Administrative Agent, any other Agent, a Lender, an agent under the Term Loan Documents, a lender under the Term Loan Agreement or any Affiliate of any of the foregoing at the time such Hedge Agreement was entered into (or, if in effect on the Closing Date, any Person that becomes a Lender, a lender under the Term Loan Agreement or an Affiliate thereof within 30 days after the Closing Date).

- "***Hedge Designation Notice***": as defined in **Section 9.12(b)**.

- "***Hedge Termination Value***": 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 by the counterparty thereto in accordance with the terms thereof and in accordance with customary methods for calculating mark-to-market values under similar arrangements by such counterparty.

- "***Holdings***": as defined in the introductory paragraph of this Agreement.

- "***Holdings Guarantee and Pledge Agreement***": the Holdings ABL Guarantee and Pledge Agreement, dated as of September 7, 2016, among Holdings and the Collateral Agent, as the same may be amended, supplemented, waived or otherwise modified from time to time.

- "***IFRS***": International Financial Reporting Standards and applicable accounting requirements set by the International Accounting Standards Board or any successor thereto (or the Financial Accounting Standards Board, the Accounting Principles Board of the American Institute of Certified Public Accountants, or any successor to either such Board, or the SEC, as the case may be), as in effect from time to time.

- "***Immaterial Subsidiary***": on any date, any Restricted Subsidiary of the Borrower designated as such by the Borrower, but only to the extent that such Restricted Subsidiary has less than 5.0% of Consolidated Total Assets and 5.0% of annual consolidated revenues of the Borrower and its Restricted Subsidiaries as reflected on the most recent financial statements delivered pursuant to **Section 6.1** prior to such date, or, prior to the first such delivery, the pro forma financial statements referred to in **Section 5.1(o)**; ***provided***, that at no time shall all Immaterial Subsidiaries have in the aggregate Consolidated Total Assets or annual consolidated revenues (as reflected on the most recent financial statements delivered pursuant to **Section 6.1** prior to such time, or, prior to the first such delivery, the pro forma financial statements referred to in **Section 5.1(o)**) in excess of 7.5% of Consolidated Total Assets or 5.0% of annual consolidated revenues, respectively, of the Borrower and its Restricted Subsidiaries.

- "***Impacted Interest Period***": as defined in the definition of "Eurocurrency Base Rate".

- "***Indebtedness***" of any Person: without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by (i) bonds (excluding surety bonds), debentures, notes or similar instruments, and (ii) surety bonds, (c) all obligations of such Person for the deferred purchase price of Property or services already received, (d) all Guarantee Obligations by such Person of Indebtedness of others, (e) all Capital Lease Obligations of such Person, (f) [reserved], (g) the principal component of all obligations, contingent or otherwise, of such Person (i) as an account party in respect of letters of credit (other than any letters of credit, bank guarantees or similar instrument in respect of which a back-to-back letter of credit has been issued under or permitted by this Agreement) and (ii) in respect of bankers' acceptances and (h) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Disqualified Capital Stock of such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference ***plus*** accrued and unpaid dividends; ***provided***, that Indebtedness shall not include (A) trade and other payables, accrued expenses and liabilities and intercompany liabilities arising in the ordinary course of business, (B) prepaid or deferred revenue arising in the ordinary course of business, (C) purchase price holdbacks arising in the ordinary course of business in respect of a portion of the purchase price of an asset to satisfy unperformed obligations of the seller of such asset, (D) earn-out and other contingent obligations until such obligations become a liability on the balance sheet of such Person in accordance with GAAP and (E) obligations owing under any Hedge Agreements or in respect of Cash Management Obligations. The Indebtedness of any Person shall include the Indebtedness of any partnership in which such Person is a general partner, other than to the extent that the instrument or agreement evidencing such Indebtedness expressly limits the liability of such Person in respect thereof (or provides for reimbursement to such Person).

- "***Indebtedness for Borrowed Money***": (a) to the extent the following would be reflected on a consolidated balance sheet of the Borrower and its Restricted Subsidiaries prepared in accordance with GAAP, the principal amount of all Indebtedness of the Borrower and its Restricted Subsidiaries with

respect to (i) borrowed money, evidenced by debt securities, debentures, acceptances, notes or other similar instruments and (ii) Capital Lease Obligations, (b) reimbursement obligations for letters of credit and financial guarantees (without duplication) (other than ordinary course of business contingent reimbursement obligations) and (c) Hedge Agreements; ***provided***, that the Obligations shall not constitute Indebtedness for Borrowed Money.

- "***Indemnified Liabilities***": as defined in **Section 10.5**.

- "***Indemnified Taxes***": (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any Obligation of any Loan Party or Local Borrowing Subsidiary under any Loan Document and (b) to the extent not otherwise described in the immediately preceding **clause (a)**, Other Taxes.

- "***Indemnitee***": as defined in **Section 10.5**.

- "***Initial Term B Loans***": as defined in the Term Loan Agreement.

- "***Insolvency***": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

- "***Insolvent***": pertaining to a condition of Insolvency.

- "***Instrument***": as defined in the Guarantee and Collateral Agreement.

- "***Intellectual Property***": the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, domain names, patents, patent licenses, trademarks, trademark licenses, trade names, technology, know-how and processes, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

- "***Intercreditor Agreements***": collectively, the ABL Intercreditor Agreement and any Junior Intercreditor Agreement.

- "***Interest Payment Date***":

bz. as to any ABR Loan (other than a Swingline Loan), the last Business Day of each March, June, September and December to occur while such Loan is outstanding and the final maturity date of such Loan;

ca. as to any Local Rate Loan and Eurocurrency Loan having an Interest Period of three months or less, the last day of such Interest Period;

cb. as to any Local Rate Loan and Eurocurrency Loan having an Interest Period longer than three months, each day that is three months or a whole multiple thereof after the first day of such Interest Period and the last day of such Interest Period;

cc. as to any Local Rate Loan which does not have an Interest Period, the last day of each calendar month, commencing on the first of such days to occur after such Local Rate Loan is made or Eurocurrency Loans are converted to Local Rate Loans;

cd. as to any Acceptance, the last Business Day of the calendar week in which such Acceptance matures (or such earlier date the relevant Local Fronting Lender may elect); and

ce. as to any Loan (other than any Loan that is an ABR Loan but, for the avoidance of doubt, including any Swingline Loan in accordance with **Section 2.8(a)**), the date of any repayment or prepayment made in respect thereof.

- "***Interest Period***": as to any Eurocurrency Loan or (to the extent customary with respect to loans in the relevant Permitted Foreign Currency) any Local Rate Loan,

cf. initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurocurrency Loan or Local Rate Loan, as applicable, and ending one, two, three or six or (if available from all Lenders under the relevant Facility) twelve months (or such other period acceptable to all such Lenders) thereafter, as selected by the Borrower in its notice of borrowing or notice of continuation or conversion, as the case may be, given with respect thereto; and

cg. thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurocurrency Loan and ending one, two, three or six or (if available from all Lenders under the relevant Facility) twelve months (or such other period acceptable to all such Lenders) thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not later than 1:00 p.m., New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto;

***provided***, that all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period that would otherwise extend beyond the scheduled Revolving Termination Date with respect to the applicable Tranche of Loans shall end on such Revolving Termination Date; and

(iii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

- "***Interpolated Rate***": at any time, for any Interest Period, the rate per annum (rounded to the same number of decimal places as LIBOR) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between (a) LIBOR for the longest period (for which LIBOR is available) that is shorter than the Impacted Interest Period and (b) LIBOR for the shortest period (for which LIBOR is available) that exceeds the Impacted Interest Period, in each case, at such time.

- "***Inventory***": as defined in the UCC.

- "***Investments***": as defined in **Section 7.7**.

- "***IRS***": the United States Internal Revenue Service.

- "***ISDA Definitions***": the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

- "***ISP***": with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

- "***Issuing Lenders***": (a) Citibank, N.A. (including with respect to Existing Letters of Credit issued by it), (b) JPMorgan Chase Bank, N.A. (including with respect to Existing Letters of Credit issued by it), (c) Bank of America, N.A., and (d) any other Revolving Lender from time to time designated by the Borrower, in its sole discretion, as an Issuing Lender with the consent of the Administrative Agent in accordance with **Section 3.11**.

- "***Joint Bookrunners***": Citigroup Global Markets Inc., Bank of America, N.A., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Macquarie Capital (USA) Inc., Wells Fargo Bank, National Association and Barclays Bank PLC, in their capacity as joint bookrunners.

- "***Joint Lead Arrangers***": Citigroup Global Markets Inc., Bank of America, N.A. and Wells Fargo Bank, National Association, in their capacity as joint lead arrangers.

- "***Junior Financing***": as defined in **Section 7.8**.

- "***Junior Financing Documentation***": any documentation governing any Junior Financing.

- "***Junior Intercreditor Agreement***": an intercreditor agreement in respect of Indebtedness intended to be secured by some or all of the Collateral on a junior priority basis with the Obligations, the terms of which are consistent with market terms governing security arrangements for the sharing of liens on a junior basis at the time such intercreditor agreement is proposed to be established in light of the type of Indebtedness to be secured by such liens, as determined in good faith by the Borrower and the Administrative Agent.

- "***L/C Commitment***": the agreement of each Issuing Lender (in each case, in its sole discretion) to issue Letters of Credit pursuant to **Section 3.1** in (a) an aggregate face amount not to exceed the Dollar Equivalent of $25,000,000 or such larger amount not to exceed the applicable Revolving Commitments as the Administrative Agent and the applicable Issuing Lender may agree and (b) with respect to each Issuing Lender, subject to the foregoing clause (a), an amount as may be agreed by such Issuing Lender in its sole discretion.

- "***L/C Disbursements***": as defined in **Section 3.4(a)**.

- "***L/C Exposure***": at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time and (b) the aggregate principal amount of all L/C Disbursements that have not yet been reimbursed at such time.

- "***L/C Fronting Fee***": as defined in **Section 3.3(a)**.

- "***L/C Fronting Fee Rate***": 0.125% per annum.

• "***L/C Obligations***": at any time, an amount equal to the sum of (a) the Dollar Equivalent of the aggregate then undrawn and unexpired face amount of the then outstanding Letters of Credit (to the extent not Cash Collateralized) and (b) the Dollar Equivalent of the aggregate amount of drawings under Letters of Credit that have not then been reimbursed. The L/C Obligations of any Tranche A Revolving Lender at any time shall be its Tranche A Revolving Percentage of the total L/C Obligations at such time. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with **Section 1.5**. 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 the ISP, upon notice from the Administrative Agent to the Borrower such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

• "***L/C Participants***": the collective reference to all the Tranche A Revolving Lenders other than the applicable Issuing Lender and, for purposes of **Section 3.4(d)**, the collective reference to all Tranche A Revolving Lenders.

• "***L/C Shortfall***": as defined in **Section 3.4(d)**.

• "***Landlord Waiver***": a letter in form and substance reasonably acceptable to the Administrative Agent and executed by a landlord in respect of Inventory or Equipment of the Company or any Subsidiary Guarantor located at any leased premises of the Company or such Subsidiary Guarantor pursuant to which such landlord, among other things, waives or subordinates on terms and conditions reasonably acceptable to the Administrative Agent any Lien such landlord may have in respect of such Inventory or Equipment.

• "***Latest Maturity Date***": at any date of determination, the latest maturity date or termination date applicable to any Loan or Commitment hereunder at such time.

• "***LCA Election***": as defined in **Section 1.2(h)**.

• "***LCA Test Date***": as defined in **Section 1.2(h)**.

• "***Lenders***": the Revolving Lenders and Local Fronting Lenders and, unless the context otherwise requires, the Swingline Lender and with respect to Letters of Credit issued thereby and unless context requires, each Issuing Lender.

• "***Letter of Credit***": a letter of credit issued hereunder by an Issuing Lender under the Tranche A Revolving Commitments providing for the payment of cash upon the honoring of a presentation thereunder and shall include the Existing Letters of Credit. A Letter of Credit may be a commercial letter of credit or a standby letter of credit. Letters of Credit may be issued in Dollars or in a Permitted Foreign Currency.

• "***Liabilities***": the recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Borrower and its Subsidiaries taken as a whole, as of the date hereof after giving effect to the consummation of the Transactions determined in accordance with GAAP consistently applied.

• "***LIBOR***": as defined in the definition of "Eurocurrency Base Rate".

• "***Lien***": any mortgage, pledge, hypothecation, collateral assignment, encumbrance, lien (statutory or other), charge or other security interest or any other security agreement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing).

• "***Limited Condition Acquisition***": any acquisition, including by way of merger, amalgamation or consolidation, by one or more of the Borrower and its Restricted Subsidiaries of any assets, business or Person permitted by this Agreement whose consummation is not conditioned on the availability of, or on obtaining, third party acquisition financing and which is designated as a Limited Condition Acquisition by the Borrower or such Restricted Subsidiary in writing to the Administrative Agent and Lenders.

• "***Limited Condition Acquisition Provision***": as defined in **Section 1.2(h)**.

• "***Liquidity Event Period***": any period on and after the Amendment No. 7 Amendment Date.

• "***Loan***": any loan or advances made by any Lender pursuant to this Agreement, including Revolving Loans, SISO Term Loans, Tranche B Term Loans, Swingline Loans, Local Loans, Acceptances and Protective Advances.

• "***Loan Documents***": the collective reference to this Agreement, the Intercreditor Agreements, the Security Documents and the Notes (if any), together with any amendment, supplement, waiver, or other modification to any of the foregoing.

• "***Loan Parties***": the Borrower and each Subsidiary Guarantor.

• "***Local Borrower***": the Company or a Local Borrowing Subsidiary, as the context shall require (and collectively, the "***Local Borrowers***").

• "***Local Borrowing Subsidiary***": each Restricted Subsidiary of the Company set forth as such on **Schedule 2.4(b)** hereto (as such **Schedule 2.4(b)** may be or may be deemed to be amended, supplemented or otherwise modified from time to time) and each other Restricted Subsidiary of the Company which is designated as a "*Local Borrowing Subsidiary*" in accordance with the provisions of **Section 2.27**; ***provided***, ***however***, that, in each case in which there is more than one Restricted Subsidiary of the Company listed for any jurisdiction on **Schedule 2.4(b)**, the term "*Local Borrowing Subsidiary*" shall be the collective reference to such Subsidiaries.

• "***Local Borrowing Subsidiary Joinder Agreement***": a Local Borrowing Subsidiary Joinder Agreement, substantially in the form of Exhibit N-1, executed and delivered by a duly authorized officer of each Subsidiary of the Company which has been designated as a "*Local Borrowing Subsidiary*" pursuant to **Section 2.27**.

• "***Local Fronting Lender***": with respect to a particular jurisdiction listed on **Schedule 2.4(b)** (as such **Schedule 2.4(b)** may be, or may be deemed to be, amended, supplemented or otherwise modified from time to time), the affiliate of the Administrative Agent from time to time set forth opposite such jurisdiction thereon or, if no affiliate of the Administrative Agent accepts such designation with respect to a particular jurisdiction or if an affiliate of the Administrative Agent resigns or is removed as the Local Fronting Lender with respect to a particular jurisdiction, such Lender or its affiliate designated by the Company and reasonably acceptable to the Administrative Agent.

• "***Local Fronting Lender Joinder Agreement***": a Local Fronting Lender Joinder Agreement, substantially in the form of **Exhibit N-2**.

• "***Local Loan***" and "***Local Loans***": as defined in **Section 2.4(b)**; ***provided***, ***however***, that the term "Local Loans" shall, to the extent utilized directly or indirectly in the Security Documents, be deemed to include any Acceptances outstanding under this Agreement.

• "***Local Outstandings***": at any date with respect to any Local Fronting Lender, the sum of (a) the aggregate principal amount then outstanding of Local Loans made by such Local Fronting Lender in Dollars, (b) the Dollar Equivalent of 105% of the aggregate principal amount then outstanding of Local Loans made by such Local Fronting Lender in the relevant Permitted Foreign Currency and (c) the Dollar Equivalent of 105% of the aggregate undiscounted face amount then outstanding of the Acceptances created by such Local Fronting Lender.

• "***Local Rate***": with respect to:

ch. any Local Loan in a Permitted Foreign Currency, the rate of interest from time to time publicly announced by the relevant Local Fronting Lender as its base rate (or its equivalent thereof) for loans denominated in such Permitted Foreign Currency at the principal lending office of such Local Fronting Lender in the local jurisdiction for such Permitted Foreign Currency (or such other rate as may be mutually agreed between the relevant Borrower and such Local Fronting Lender as reflecting the Cost of Funds to such Local Fronting Lender for the Local Loans to which such rate is applicable); ***provided***, ***however***, that, with respect to any Local Loans advanced by way of overdrafts, the "*Local Rate*" shall be the rate from time to time agreed upon between the relevant Local Borrower and the relevant Local Fronting Lender; and

ci. any Acceptance, the rate from time to time agreed upon between the relevant Local Borrower and the relevant Local Fronting Lender.

• "***Local Rate Loan***": each Local Loan hereunder at such time as it is made and/or being maintained at a rate of interest based upon the Local Rate for the relevant Permitted Foreign Currency; ***provided***, ***however***, that (other than any Local Loans made on the Closing Date) no Local Loan shall be made or maintained as a Local Rate Loan unless either (a) the Local Fronting Lender with respect thereto so agrees (in its sole discretion) or (b) the right of the relevant Borrower to obtain Eurocurrency Loans has been suspended pursuant to **Sections 2.17**, **2.29** or **2.22**.

• "***London Banking Day***": any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

• "***Mafco***": MacAndrews & Forbes Incorporated and its successors.

• "***Majority Facility Lenders***": with respect to any Facility at any time, the holders of more than 50% of the unused Commitments then in effect under such Facility and the aggregate Revolving Extensions of Credit or the aggregate Loans outstanding, as applicable, under such Facility at such time; ***provided***, ***however***, that determinations of the "Majority Facility Lenders" shall exclude any Commitments or Loans held by Defaulting Lenders.

• "***Material Adverse Effect***": a material adverse effect on (a) the business, operations, assets, financial condition or results of operations of the Borrower and its Restricted Subsidiaries, taken as a whole, or (b) the material rights and remedies available to the Administrative Agent, any Local Fronting

Lender and the Lenders, taken as a whole, or on the ability of the Loan Parties, taken as a whole, to perform their payment obligations to the Lenders, in each case, under the Loan Documents.

• "***Material Real Property***": any Real Property located in the United States and owned in fee by the Borrower or any Subsidiary Guarantor on the Closing Date having an estimated Fair Market Value exceeding $10,000,000 and any after-acquired Real Property located in the United States owned by a Loan Party having a gross purchase price exceeding $10,000,000 at the time of acquisition.

• "***Materials of Environmental Concern***": any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products, polychlorinated biphenyls, urea-formaldehyde insulation, asbestos, pollutants, contaminants, radioactivity and any other substances that are defined, listed or regulated as hazardous, toxic (or words of similar regulatory intent or meaning) under any Environmental Law, or that are regulated pursuant to Environmental Law or which may give rise to any Environmental Liability.

• "***Maximum Availability***": at any time,

cj. the lesser of (i) the aggregate Tranche A Revolving Commitments plus the aggregate principal amount of the SISO Term Loans, in each case, in effect at such time and (ii) the Tranche A Borrowing Base at such time (based on the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to **Section 6.2(g)**, after giving effect to any Eligibility Reserve, Specified Reserve, Push Down Reserve or Dilution Reserve in effect at such time (if any), whether or not reflected on such Borrowing Base Certificate but without duplication) ***minus***

ck. the aggregate amount of any Availability Reserves in respect of the Borrowing Base in effect at such time.

• "***Maximum Revolving Availability***": at any time,

cl. the lesser of (i) the aggregate Tranche A Revolving Commitments in effect at such time and (ii) the Tranche A Revolving Borrowing Base at such time (based on the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to **Section 6.2(g)**, after giving effect to any Eligibility Reserve, Specified Reserve, Push Down Reserve or Dilution Reserve in effect at such time (if any), whether or not reflected on such Borrowing Base Certificate but without duplication) ***minus***

cm. the aggregate amount of any Availability Reserves in respect of the Borrowing Base in effect at such time;

***provided***, that for purposes of determining the Applicable Margin, Maximum Revolving Availability shall be determined without giving effect to any Availability Reserves.

• "***Maximum Rate***": as defined in **Section 10.20**.

• "***Maximum Sublimit***" of any Local Fronting Lender shall mean the amount of Dollars set forth opposite the name of such Local Fronting Lender under the heading "*Maximum Sublimit*" on Schedule 2.4(b) (as such Schedule 2.4(b) may be or may be deemed to be, amended, supplemented or otherwise modified from time to time).

• "***Merger***": the merger of RR Transaction Corp. with and into the Target pursuant to, and as contemplated by, the Merger Agreement.

- "***Merger Agreement***": the Agreement and Plan of Merger, dated as of June 16, 2016, by and among, Holdings, RR Transaction Corp., the Borrower and the Target.

- "***Minimum Extension Condition***": as defined in **Section 2.26(g)**.

- "***MIRE Event***": at any time after the Amendment No. 1 Effective Date, if there are any Mortgaged Properties at such time included in the Borrowing Base, any increase, extension of the maturity, refinancing, modification or renewal of any of the Commitments or Loans (including an Extension Amendment, but excluding for the avoidance of doubt (a) any continuation or conversion of borrowings, (b) the making of any Loan, (c) the issuance, creation, renewal or extension of Letters of Credit or Acceptances, as applicable, (d) any reduction or termination of the Commitments or (e) any other amendment).

- "***Moody's***": Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

- "***Mortgage***": any mortgage, deed of trust, hypothec, assignment of leases and rents or other similar document delivered on or after the Closing Date in favor of, or for the benefit of, the Collateral Agent for the benefit of the Secured Parties, with respect to Mortgaged Properties, each substantially in the form of Exhibit M or otherwise in form and substance reasonably acceptable to the Administrative Agent and the Borrower (taking into account the law of the jurisdiction in which such mortgage, deed of trust, hypothec or similar document is to be recorded), as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

- "***Mortgage Supporting Documents***": with respect to a Mortgage for a parcel of Real Property, each of the documents required to be delivered pursuant to **Section 6.8(b)(ii)** and **(iii)** with respect to such Mortgage.

- "***Mortgage Value***": with respect to any parcel of Eligible Real Property, the Dollar Equivalent of the value of such parcel of Eligible Real Property set forth in the most recent Appraisal delivered with respect thereto to the Administrative Agent on an "as is" basis.

- "***Mortgaged Properties***": all Material Real Property owned by the Borrower or any Subsidiary Guarantor that is, or is required to be, subject to a Mortgage pursuant to the terms of this Agreement.

- "***Mortgagee's Title Insurance Policy***": as defined in the definition of Mortgage Supporting Documents.

- "***Multiemployer Plan***": a Plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

- "***Net Cash Proceeds***": in connection with any Equity Issuance or issuance or sale of debt securities or instruments or the incurrence of Indebtedness, the cash proceeds received from such issuance or incurrence, net of attorneys' fees, investment banking fees, accountants' fees, consulting fees, underwriting discounts and commissions and other customary fees and expenses actually incurred in connection therewith.

- "***Net Orderly Liquidation Percentage***":

(i) as used to calculate the Tranche A Borrowing Base, 85% and

(ii) as used to calculate the Tranche B Borrowing Base, 15%,

in each case, of the net orderly liquidation value of such Eligible Inventory as to which such percentage applies to as a percentage of cost specified for such class of Eligible Inventory in the most recent Appraisal of such class of Inventory of the applicable Loan Party.

- "***Net Orderly Liquidation Value***": with regard to any Eligible Equipment, the net orderly liquidation value of such Eligible Equipment, as determined by reference to the most recent Appraisal of such Equipment of the applicable Loan Party.

- "***New Subsidiary***": as defined in **Section 7.2(t)**.

- "***Non-Defaulting Lender***": any Revolving Lender other than a Defaulting Lender.

- "***Non-Excluded Subsidiary***": any Subsidiary of the Borrower which is not an Excluded Subsidiary.

- "***Non-Extending Lender***": as defined in **Section 2.26(e)**.

- "***Non-Guarantor Subsidiary***": any Subsidiary of the Borrower which is not a Subsidiary Guarantor.

- "***Non-Hardwired Currencies***" means all Permitted Foreign Currencies, excluding for the avoidance of doubt, Dollars.

- "***Non-Recourse Debt***": Indebtedness (a) with respect to which no default would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Borrower or any of its Restricted Subsidiaries the outstanding principal amount of which individually exceeds $25,000,000 to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity and (b) as to which the lenders or holders thereof will not have any recourse to the capital stock or assets of the Borrower or any of its Restricted Subsidiaries.

- "***Non-US Guarantor***": any Guarantor not organized under the laws of any jurisdiction within the United States.

- "***Non-US Lender***": as defined in **Section 2.20(e)**.

- "***Not Otherwise Applied***": with reference to any proceeds of any transaction or event that is proposed to be applied to a particular use or transaction, that such amount (a) was not required to prepay Loans pursuant to **Section 2.12** and (b) has not previously been (and is not simultaneously being) applied to anything other than such particular use or transaction.

- "***Note***": any promissory note evidencing any Loan, which promissory note shall be in the form of Exhibit J, or such other form as agreed upon by the Administrative Agent and the Borrower.

- "***Obligations***": the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and Reimbursement Obligations and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding,

relating to the Borrower or any Local Borrowing Subsidiary, whether or not a claim for post-filing or post-petition interest is allowed or allowable in such proceeding) the Loans, the Reimbursement Obligations and all other obligations and liabilities of the Borrowers to the Administrative Agent, the Collateral Agent or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, in each case, which may arise under, out of, or in connection with, this Agreement, any other Loan Document, the Letters of Credit or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise; ***provided***, that the "Obligations" shall exclude any obligations in respect of any Specified Hedge Agreement, any Specified Cash Management Obligations and any Specified Additional Obligations.

- "***OFAC***": the Office of Foreign Assets Control of the United States Department of the Treasury.

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

- "***Other Taxes***": any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document.

- "***Parent Company***": any direct or indirect parent of Holdings.

- "***Pari Passu Intercreditor Agreement***": the First Lien Pari Passu Intercreditor Agreement, dated as of the Amendment No. 4 Effective Date, among Citibank, N.A., the administrative agent and collateral agent under the Term Loan Agreement and Jefferies Finance LLC, as administrative agent and collateral agent under the BrandCo Credit Agreement.

- "***Pari Passu Distribution Additional Obligations***": as defined in **Section 9.12(c)**.

- "***Pari Passu Distribution Hedge Obligations***": as defined in **Section 9.12(b)**.

- "***Participant***": as defined in **Section 10.6(c)(i)**.

- "***Participant Register***": as defined in **Section 10.6(c)(iii)**.

- "***PBGC***": the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor).

- "***Permitted Acquisition***":

cn. any acquisition or other Investment approved by the Required Lenders,

co. any acquisition or other Investment made solely with the Net Cash Proceeds of any substantially concurrent Equity Issuance or capital contribution (other than Disqualified Capital Stock) and such Equity Issuance or capital contribution is Not Otherwise Applied or

cp. any acquisition, in a single transaction or a series of related transactions, of a majority controlling interest in the Capital Stock, or all or substantially all of the assets, of any Person, or of all or substantially all of the assets constituting a division, product line or business line of any Person, in each case to the extent the applicable acquired company or assets engage in or constitute a Permitted Business or Related Business Assets, so long as in the case of any acquisition described in this **clause (c)**, no Event of Default shall be continuing immediately after giving pro forma effect to such acquisition.

• "***Permitted Business***": (i) the Business or (ii) any business that is a natural outgrowth or a reasonable extension, development or expansion of any such Business or any business similar, reasonably related, incidental, complementary or ancillary to any of the foregoing.

• "***Permitted Foreign Currency***": with respect to any Letters of Credit, Local Loans or Acceptances, Euros, Pounds Sterling, Japanese Yen, Canadian Dollars, Australian Dollars, Hong Kong Dollars and any other foreign currency reasonably requested by the Borrower from time to time by notice to the Administrative Agent, the Issuing Lender and applicable Local Fronting Lender providing such Letters of Credit, Local Loans or Acceptances and in which an Issuing Lender or a Local Fronting Lender, as applicable, may, in accordance with its policies and procedures in effect at such time, issue Letters of Credit, lend Local Loans or create or discount Acceptances, as applicable.

• "***Permitted Investors***": the collective reference to (i) the Sponsor and any Affiliates of any Person included in the definition of "Sponsor", (but excluding any operating portfolio companies of the foregoing), (ii) the members of management of any Parent Company, Holdings or any of its Subsidiaries that have ownership interests in any Parent Company or Holdings as of the Closing Date, (iii) the directors of Holdings or any of its Subsidiaries or any Parent Company as of the Closing Date and (iv) the members of any "group" (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) of which any Person described in **clause (i)**, **(ii)** or **(iii)** of this definition is a member; ***provided*** that, in the case of such group and without giving effect to the existence of such group or any other group, Persons who are either Persons described in **clause (i)**, **(ii)** or **(iii)** of this definition have aggregate beneficial ownership of more than 50% of the total voting power of the voting stock of the Borrower, Holdings or any Parent Company.

• "***Permitted Refinancing***": with respect to any Person, refinancings, replacements, modifications, refundings, renewals or extensions of Indebtedness (or of a prior Permitted Refinancing of Indebtedness); ***provided***, that any such refinancing, replacement, modification, refunding, renewal or extension of Indebtedness effected pursuant to a clause in **Section 7.2** or **7.3** in reliance on the term "Permitted Refinancing" must comply with the following conditions:

cq. there is no increase in the principal amount (or accreted value) thereof (except by an amount equal to accrued interest, fees, discounts, redemption and tender premiums, penalties and expenses and by an amount equal to any existing commitment unutilized thereunder and as otherwise permitted under the applicable clause of **Section 7.2**);

cr. the Weighted Average Life to Maturity of such Indebtedness is greater than or equal to the Weighted Average Life to Maturity of the Indebtedness being refinanced (other than a shorter Weighted Average Life to Maturity for customary bridge financings, which, subject to customary

conditions, would either be automatically converted into or required to be exchanged for permanent financing which does not provide for a shorter Weighted Average Life to Maturity than the Weighted Average Life to Maturity of the Indebtedness being refinanced) and such Indebtedness shall not have a final maturity earlier than the maturity date of the Indebtedness being refinanced;

cs. immediately after giving effect to such refinancing, replacement, refunding, renewal or extension, no Event of Default shall be continuing;

ct. neither the Borrower nor any Restricted Subsidiary shall be an obligor or guarantor of any such refinancings, replacements, modifications, refundings, renewals or extensions except to the extent that such Person was (or would have been required to be) such an obligor or guarantor in respect of the applicable Indebtedness being modified, refinanced, replaced, refunded, renewed or extended;

cu. any Liens securing such Permitted Refinancing shall be limited to the assets or property that secured the Indebtedness being refinanced; ***provided***, that Liens in respect of assets or property granted as a result of the operation of after-acquired property clauses shall be permitted to the extent any such assets or property secured (or would have secured) the Indebtedness the subject of the Permitted Refinancing; ***provided***, ***further***, a Permitted Refinancing under **Section 7.2(p)** shall not be secured by any assets or property other than Collateral subject to **Section 7.3(ll)**;

cv. to the extent the Indebtedness being refinanced is subject to the ABL Intercreditor Agreement or a Junior Intercreditor Agreement, to the extent that it is secured by the Collateral, the Permitted Refinancing shall be subject to the ABL Intercreditor Agreement or a Junior Intercreditor Agreement, as applicable, on terms no less favorable to the Lenders, taken as a whole (as determined in good faith by the Borrower); and

cw. except as otherwise permitted by this definition of "Permitted Refinancing", the covenants and events of default applicable to such Permitted Refinancing shall be not materially more restrictive, taken as a whole, to the Borrower and its Restricted Subsidiaries than the covenants and events of default contained in customary agreements governing similar indebtedness in light of prevailing market conditions at the time of such Permitted Refinancing (as determined in good faith by the Borrower).

• "***Permitted Revolving Refinancing Obligations***": any Indebtedness (which Indebtedness shall be secured by the Collateral on a pari passu basis with the Liens securing the Obligations) in accordance with **Sections 7.2** and **7.3**, in each case issued or incurred by the Borrower or a Guarantor to refinance, extend, renew, replace, modify or refund Indebtedness and to pro rata reduce the associated Revolving Commitments incurred under this Agreement and the Loan Documents (such Indebtedness, "***Revolving Refinancing Debt***") and to pay fees, discounts, accrued interest, premiums and expenses in connection therewith; ***provided***, that any such Revolving Refinancing Debt:

cx. shall not be guaranteed by any Person that is not a Guarantor (unless such Person becomes a Guarantor hereunder);

cy. [reserved];

cz. shall not be secured (to the extent secured) by any Lien on any asset of any Loan Party that does not also secure the Obligations (unless such asset becomes Collateral hereunder);

da. shall be incurred under this Agreement (as may be amended in furtherance of **Section 10.1(d)** of this Agreement) with the other Obligations; and

db. (i) shall have a final maturity no earlier than the maturity date of the Indebtedness being refinanced (other than an earlier maturity date for customary bridge financings, which, subject to customary conditions, would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date than the maturity date of the Indebtedness being refinanced) and (ii) any such Indebtedness that is a revolving credit facility shall not mature prior to the maturity date of the Revolving Commitments being replaced.

• "***Permitted SISO Refinancing Obligations***": after the occurrence of the Tranche A Revolving Discharge Date, any Indebtedness (which Indebtedness shall be secured by the Collateral on a pari passu basis with the Liens securing the Obligations) in accordance with **Sections 7.2** and **7.3**, in each case issued or incurred by the Borrower or a Guarantor to refinance, extend, renew, replace, modify or refund Indebtedness and to pro rata reduce the associated SISO Term Loans incurred under this Agreement and the Loan Documents (such Indebtedness, "***SISO Refinancing Debt***") and to pay fees, discounts, accrued interest, premiums and expenses in connection therewith; ***provided***, that any such SISO Refinancing Debt:

dc. shall not be guaranteed by any Person that is not a Guarantor (unless such Person becomes a Guarantor hereunder);

dd. [reserved];

de. shall not be secured (to the extent secured) by any Lien on any asset of any Loan Party that does not also secure the Obligations (unless such asset becomes Collateral hereunder);

df. shall be incurred under this Agreement (as may be amended in furtherance of **Section 10.1(d)** of this Agreement) with the other Obligations; and

dg. shall have a final maturity no earlier than the maturity date of the Indebtedness being refinanced (other than an earlier maturity date for customary bridge financings, which, subject to customary conditions, would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date than the maturity date of the Indebtedness being refinanced).

For the avoidance of doubt, no Permitted SISO Refinancing Obligations shall be permitted until the occurrence of the Tranche A Revolving Discharge Date.

• "***Permitted Transferees***" means, with respect to any Person that is a natural person (and any Permitted Transferee of such Person), (a) such Person's immediate family, including his or her spouse, ex-spouse, children, step-children and their respective lineal descendants, (b) the estate of Ronald O. Perelman and (c) any other trust or other legal entity the primary beneficiary of which is such Person and/or such Person's immediate family, including his or her spouse, ex-spouse, children, stepchildren or their respective lineal descendants.

• "***Person***": an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

• "***Plan***": at a particular time, any employee benefit plan as defined in Section 3(3) of ERISA and in respect of which the Borrower or any of its Restricted Subsidiaries is (or, if such plan were

terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA, including a Multiemployer Plan.

- "***Platform***": as defined in **Section 10.2(c)**.

- "***Pledged Securities***": as defined in the Guarantee and Collateral Agreement or the Canadian Collateral Agreement, as context may require.

- "***Pledged Stock***": as defined in the Guarantee and Collateral Agreement or the Canadian Collateral Agreement, as context may require.

- "***Post-Petition Interest***" means interest, fees, expenses and other charges that pursuant to the Loan Documents continue to accrue after the commencement of any proceeding under any Debtor Relief Law, whether or not such interest, fees, expenses and other charges are allowed or allowable under any Debtor Relief Law or in any such proceeding.

- "***PPSA***" means the Personal Property Security Act (Ontario); ***provided*** that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by a Personal Property Security Act as in effect in a Canadian jurisdiction other than Ontario or the Civil Code of Québec, "PPSA" means the Personal Property Security Act as in effect from time to time in such other jurisdiction or the Civil Code of Québec, as applicable, for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority in such Collateral.

- "***Present Fair Salable Value***": the amount that could be obtained by an independent willing seller from an independent willing buyer if the assets of the Borrower and its Subsidiaries taken as a whole and after giving effect to the consummation of the Transactions are sold with reasonable promptness in an arm's-length transaction under present conditions for the sale of comparable business enterprises insofar as such conditions can be reasonably evaluated.

- "***Primary Administrative Agent***": as defined in "Administrative Agent".

- "***Prior Tax Sharing Agreement***": the Tax Sharing Agreement entered into as of June 24, 1992, as amended and restated, among the Company and certain of its Subsidiaries, Holdings and Mafco.

- "***Proceeding***": as defined in **Section 10.5(c)**.

- "***Property***": any right or interest in or to property or assets of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible, including Capital Stock.

- "***Protective Advances***": means all expenses, disbursements and advances incurred by the Administrative Agent pursuant to the Loan Documents after the occurrence and during the continuance of an Event of Default that the Administrative Agent, in its sole discretion exercised reasonably, deems necessary or desirable to preserve or protect the ABL Facility First Priority Collateral or any portion thereof or to enhance the likelihood, or maximize the amount, of repayment of the Obligations of the Revolving Lenders; ***provided***, ***however***, that the aggregate principal amount of such Protective Advances shall not exceed the lesser of $10,000,000 and the aggregate amount of the unused Tranche A Revolving Commitments.

- "***Protective Advances Percentage***": as to any Tranche A Revolving Lender with respect to any Protective Advance, the percentage which such Tranche A Lender's undrawn Revolving

Commitment at the time such Protective Advance is made then constitutes of the aggregate undrawn Tranche A Revolving Commitments.

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

- "***Public Information***": as defined in **Section 10.2(c)**.

- "***Public Lender***": as defined in **Section 10.2(c)**.

- "***Push Down Reserve***": a reserve established against the Tranche A Borrowing Base by the Administrative Agent at such time in an amount equal to the amount (if any) by which the aggregate principal amount of the Tranche B Term Loans outstanding at the applicable time of determination exceeds the Tranche B Borrowing Base at such time.

- "***Qualified Capital Stock***": any Capital Stock that is not Disqualified Capital Stock.

- "***Qualified Cash***": the amount of unrestricted cash and Cash Equivalents of the Loan Parties at such time to the extent held in a segregated restricted Deposit Account subject to a Deposit Account Control Agreement or Control Account and maintained either (i) with the Administrative Agent or (ii) with another depository or Approved Securities Intermediary so long as such other applicable depository or Approved Securities Intermediary provides daily reports to the Administrative Agent setting forth the balances in such accounts and such information as the Administrative Agent may reasonably request. For the avoidance of doubt, any cash or Cash Equivalents held in a Deposit Account to Cash Collateralize Letters of Credit, Swingline Loans or Acceptances shall not constitute Qualified Cash.

- "***Qualified Contract***": any new intellectual property license entered into by the Borrower or any of its Restricted Subsidiaries in respect of any brand so long as an officer of the Borrower has certified to the Administrative Agent that the revenues generated by such license in the next succeeding 12 months would reasonably be expected to exceed $10,000,000.

- "***Ratio Basket***": as defined in Section 1.6.

- "***Ratio Basket Item or Event***": as defined in **Section 1.6**.

- "***Real Property***": collectively, all right, title and interest of the Borrower or any of its Restricted Subsidiaries in and to any and all parcels of real property owned or leased by the Borrower or any such Restricted Subsidiary together with all improvements and appurtenant fixtures, easements and other property and rights incidental to the ownership, lease or operation thereof.

- "***Recipient***": (a) any Lender, (b) the Administrative Agent and (c) any other Agent, as applicable.

- "***Recovery Event***": any settlement of or payment in respect of any Property or casualty insurance claim or any condemnation proceeding relating to any asset of the Borrower or any Restricted Subsidiary, in an amount for each such event exceeding $10,000,000.

- "***Reference Time***" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is LIBOR with respect to Dollars, 11:00 a.m. (London time) on the day that is two

London banking days preceding the date of such setting, and (2) if such Benchmark is not LIBOR with respect to Dollars, the time determined by the Administrative Agent in its reasonable discretion.

- "***Refinanced Revolving Commitment***": as defined in **Section 10.1(d)**.

- "***Refinanced Term Loan***": as defined in **Section 10.1(d)**.

- "***Refinancing***": the repayment, refinancing, retirement or redemption of Indebtedness under and termination of the Existing Credit Agreements and the Existing Target Notes on the Closing Date.

- "***Refinancing Revolving Commitment***": as defined in **Section 10.1(d)**.

- "***Refinancing Revolving Loan***": a Loan in respect of a Refinancing Revolving Commitment.

- "***Refinancing Term Loan***": as defined in **Section 10.1(d)**.

- "***Register***": as defined in **Section 10.6(b)(iv)**.

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

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

- "***Related Parties***": 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.

- "***Related Person***": as defined in **Section 10.5**.

- "***Release***": any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the environment or within or upon any building, structure or facility.

- "***Relevant Governmental Body***": (i) with respect to a Benchmark or Benchmark Replacement in respect of any Benchmark applicable to Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, and (ii) with respect to a Benchmark Replacement for any Benchmark applicable to a currency other than Dollars, (a) the central bank for the applicable currency or any central bank or other supervisor which is responsible for supervising (1) such Benchmark or Benchmark Replacement for such currency or (2) the administrator of such Benchmark or Benchmark Replacement for such currency or (b) any working group or committee officially endorsed or convened by: (1) the central bank for such currency, (2) any central bank or other supervisor that is responsible for supervising either (x) such Benchmark or Benchmark Replacement for such currency or (y) the administrator of such

Benchmark or Benchmark Replacement for such currency, or (3) the Financial Stability Board, or a committee officially endorsed or convened by the Financial Stability Board, or any successor thereto.

- "***Replaced Lender***": as defined in **Section 2.24**.

- "***Reportable Event***": any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the thirty day notice period is waived by the PBGC in accordance with the regulations thereunder.

- "***Representatives***": as defined in **Section 10.14**.

- "***Required Lenders***":

dh. at any time prior to the Tranche A Discharge Date, the holders of more than 50% of the sum of (i) the Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Revolving Extensions of Credit then outstanding plus (ii) the SISO Term Commitments then in effect or, if the SISO Term Commitments have been terminated, the aggregate principal amount of the SISO Term Loans then outstanding; ***provided***, ***however***, that determinations of the "Required Lenders" shall exclude Revolving Commitments or Revolving Loans held by a Defaulting Lender and Revolving Commitments, Revolving Loans and SISO Term Loans held by a Tranche B Term Lender (or, in each case, an Affiliate thereof) shall be deemed to vote in the same proportion as Revolving Commitments, Revolving Loans and SISO Term Loans held by Revolving Lenders and SISO Term Lenders that are not a Tranche B Term Lender (or, in each case, an Affiliate thereof); and

di. thereafter, the holders of more than 50% of the aggregate principal amount of the Tranche B Term Loans then in effect.

- "***Required SISO Term Lenders***": at any time, the holders of more than 50% of the SISO Term Commitments then in effect or, if the SISO Term Commitments have been terminated, the aggregate principal amount of the SISO Term Loans then outstanding.

- "***Required Tranche A Revolving Lenders***": at any time, the holders of more than 50% of the Tranche A Revolving Commitments then in effect or, if the Tranche A Revolving Commitments have been terminated, the Tranche A Revolving Extensions of Credit then outstanding; ***provided***, ***however***, that determinations of the "Required Tranche A Revolving Lenders" shall exclude Tranche A Revolving Commitments or Tranche A Revolving Loans held by Defaulting Lenders.

"***Required Tranche B Lenders***": at any time, the holders of more than 50% of the aggregate principal amount of the Tranche B Term Loans then in effect.

- "***Requirement of Law***": as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its Property or to which such Person or any of its Property is subject.

- "***Resignation Effective Date***" as defined in **Section 9.9**.

- "***Resolution Authority***" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

- "***Responsible Officer***": any officer at the level of Vice President or higher of the relevant Person or, with respect to financial matters, the Chief Financial Officer, Treasurer, Controller or any other Person in the Treasury Department at the level of Vice President or higher of the relevant Person.

- "***Restricted Payments***": as defined in **Section 7.6**.

- "***Restricted Subsidiary***": any Subsidiary of the Borrower which is not an Unrestricted Subsidiary.

- "***Revaluation Date***": (a) the date of delivery of each notice of borrowing in respect of Revolving Loans, the issuance of a Letter of Credit, the borrowing in respect of a Local Loan or the creation of an Acceptance, in a Permitted Foreign Currency, and (b) each other date on which a Spot Rate is calculated at the Administrative Agent's discretion.

- "***Revolving Commitment Period***": with respect to each Tranche of Revolving Commitments, the period from and including the effective date for such Tranche to the Revolving Termination Date for such Tranche.

- "***Revolving Commitments***": as to any Revolving Lender, the obligation of such Lender, if any, to make Revolving Loans and, solely in the case of Tranche A Revolving Commitments, participate in Letters of Credit, Local Loans, Acceptances and Swingline Loans in an aggregate principal and/or face amount not to exceed the amount set forth on **Schedule 2.1**, or, as the case may be, in the Assignment and Assumption pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to an Extension Amendment or otherwise pursuant to the terms hereof. The aggregate amount of Revolving Commitments (which shall consist solely of the Tranche A Revolving Commitments) as of the Amendment No. 7 Amendment Date is $300,000,000.

- "***Revolving Extensions of Credit***": as to each Revolving Lender at any time, an amount equal to the Dollar Equivalent of the sum of, without duplication (a) the aggregate principal amount of all Revolving Loans held by such Lender then outstanding, (b) such Revolving Lender's L/C Obligations and aggregate applicable Tranche Revolving Percentages of the Local Loans and Acceptances then outstanding, and (c) such Revolving Lender's Swingline Exposure.

- "***Revolving Lender***": each Lender that has a Revolving Commitment or that holds Revolving Loans.

- "***Revolving Loans***": Tranche A Revolving Loans as defined in **Section 2.4(a)**.

- "***Revolving Percentage***": as to any Revolving Lender at any time, the percentage which such Lender's Revolving Commitment then constitutes of the aggregate Revolving Commitments or, at any time after the Revolving Commitments shall have expired or terminated, the percentage which such Revolving Lender's Revolving Extensions of Credit then outstanding constitutes of the aggregate Revolving Extensions of Credit then outstanding.

- "***Revolving Refinancing Debt***": as defined in the definition of "Permitted Revolving Refinancing Obligations".

- "***Revolving Termination Date***":

dj. (i) with respect to the Tranche A Revolving Facility, June 8, 2023 (or as otherwise provided in **Section 2.26** for Extended Revolving Commitments),

(ii) with respect to the SISO Term Facility, June 8, 2023;

dk. with respect to the Tranche B Term Facility, the earlier of

i.(A) prior to the Tranche A Discharge Date, the date that is six months after the Revolving Termination Date of the then-latest Tranche A Revolving Facility and (B) on and after the Tranche A Discharge Date, the date that is six months after the Revolving Termination Date of the Tranche A Revolving Facility immediately prior to the occurrence of the Tranche A Discharge Date and

ii.December 15, 2023;

dl. with respect to any Extended Revolving Tranche, the maturity date set forth in the applicable Extension Amendment; and

dm. with respect to any Tranche of Refinancing Revolving Commitments, the maturity date set forth in the applicable amendment pursuant to **Section 10.1(d)**;

***provided*** that, in each case of **clauses (a)**, **(b), (c)** and **(d)**, if such date is not a Business Day, the Revolving Termination Date will be the next succeeding Business Day.

- "***S&P***": Standard & Poor's Ratings Group, Inc., or any successor to the rating agency business thereof.

- "***Sanction(s)***": any international economic sanction administered or enforced by OFAC, the United Nations Security Council, the European Union or Her Majesty's Treasury.

- "***Screen***": the relevant display page for the Eurocurrency Base Rate (as reasonably determined by the Administrative Agent) on the Bloomberg Information Service or any successor thereto; ***provided***, that if the Administrative Agent determines that there is no such relevant display page or otherwise in Bloomberg for the Eurocurrency Base Rate, "Screen" means such other comparable publicly available service for displaying the Eurocurrency Base Rate (as reasonably determined by the Administrative Agent).

- "***SEC***": the Securities and Exchange Commission (or successors thereto or an analogous Governmental Authority).

- "***Section 2.26 Additional Amendment***": as defined in **Section 2.26(c)**.

- "***Secured Obligations***": the Obligations, together with all obligations in respect of the Specified Hedge Agreements, the Specified Cash Management Obligations and the Specified Additional Obligations; ***provided***, that the "Secured Obligations" shall exclude any Excluded Swap Obligations.

- "***Secured Parties***": collectively, the Lenders, the Administrative Agent, the Collateral Agent, each Issuing Lender, the Swingline Lender, any other holder from time to time of any of the Secured Obligations and, in each case, their respective successors and permitted assigns.

- "***Securities Account***": as defined in the Guarantee and Collateral Agreement.

- "***Securities Account Control Agreement***": as defined in the Guarantee and Collateral Agreement.

- "***Securities Act***": the Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

- "***Securities Intermediary***": the meaning assigned to such term in the UCC.

- "***Security***": as defined in the Guarantee and Collateral Agreement.

- "***Security Documents***": the collective reference to the Guarantee and Collateral Agreement, the Holdings Guarantee and Pledge Agreement and all other security documents (including any Mortgages) hereafter delivered to the Administrative Agent or the Collateral Agent purporting to grant a Lien on any Property of any Loan Party to secure the Secured Obligations.

- "***Single Employer Plan***": any Plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA and in respect of which the Borrower or any of its Restricted Subsidiaries is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

- "***SISO Discharge Date***": the date on which

dn. all SISO Term Loans (and any refinancing debt in respect thereof) have been repaid by or on behalf of Borrower in full in cash;

do. all SISO Term Commitments (and any refinancing commitments in respect thereof) have been permanently terminated; and

dp. all amounts owing to any SISO Term Lender and the Administrative Agent in respect of the SISO Term Facility (other than contingent or indemnification obligations not then due) have been repaid by or on behalf of Borrower in full in cash;

***provided***, that the SISO Discharge Date shall be deemed not to have occurred to the extent of a refinancing or replacement of the SISO Term Loans with a Tranche A Refinancing complying with the terms of **Section 10.19(j)** of this Agreement.

- "***SISO Refinancing Debt***": as defined in the definition of "Permitted SISO Refinancing Obligations".

- "***SISO Secured Obligations***": Secured Obligations in respect of the SISO Term Facility.

- "***SISO Secured Parties***": Secured Parties in respect of SISO Secured Obligations.

- "***SISO Term Commitments***": as to any SISO Term Lender, the obligation of such Lender, if any, to make SISO Term Loans. The aggregate amount of the SISO Term Commitments as of the Amendment No. 7 Effective Date is $100,000,000.

- "***SISO Term Facility***": as defined in the definition of "Facility".

- "***SISO Term Lender***": each Lender that holds a SISO Term Loan or SISO Term Commitment.

- "***SISO Term Loan***": as defined in **Section 2.4(a)(i)**.

- "***SOFR***": with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

- "***SOFR Administrator***": the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

- "***SOFR Administrator's Website***": the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

- "***Solvent***": (a) with respect to the Borrower and its Subsidiaries, as of any date of determination, (i) the Fair Value of the assets of the Borrower and its Subsidiaries taken as a whole exceeds their Liabilities, (ii) the Present Fair Salable Value of the assets of the Borrower and its Subsidiaries taken as a whole exceeds their Liabilities; (iii) the Borrower and its Subsidiaries taken as a whole Do not have Unreasonably Small Capital; and (iv) the Borrower and its Subsidiaries taken as a whole Will be able to pay their Liabilities as they mature and (b) no Local Borrower is undercapitalized to such an extent, that solely as a result of such undercapitalization, (i) any Lender would be deemed under the laws of the relevant jurisdiction to owe a fiduciary duty to any other creditor of such Local Borrower or (ii) the Local Loans made or the Acceptances created by the relevant Local Fronting Lender to such Local Borrower would be subordinated to any obligations of such Local Borrower owing to any other Person.

- "***Specified Additional Obligations***": obligations, in an aggregate principal amount not to exceed $15,000,000 at any time outstanding, that in each case have been designated by the Borrower, by notice to the Administrative Agent, as a Specified Additional Obligation in accordance with **Section 9.12(c)**. The designation of any Specified Additional Obligations shall not create in favor of any party thereto (or their successors or assigns) any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Loan Documents. For the avoidance of doubt, all obligations in existence on the Closing Date listed as such on Schedule 1.1B shall constitute Specified Additional Obligations.

- "***Specified Availability Fixed Charge Coverage Ratio***": as of any date of determination, the ratio of (a) Consolidated EBITDA of the Borrower and its Restricted Subsidiaries for the most recently ended Test Period ***minus*** Capital Expenditures paid in cash during such period to (b) Cash Interest Expense for such Test Period ***plus*** all scheduled principal amortization payments that were paid or payable (but without duplication) in cash during such Test Period with respect to the Indebtedness incurred pursuant to the Term Loan Agreement and any Permitted Refinancing thereof. In the event that the Borrower or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness or issues or redeems Disqualified Capital Stock subsequent to the commencement of the period for which the Specified Availability Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Specified Availability Fixed Charge Coverage Ratio is being calculated, then the Specified Availability Fixed Charge Coverage Ratio will be calculated on a pro forma basis as if such

incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness or issuance or redemption of Disqualified Capital Stock, and the use of the proceeds therefrom, had occurred at the beginning of the Test Period.

- "***Specified Cash Limit***": $75,000,000.

- "***Specified Cash Management Obligations***": Cash Management Obligations (a) owed by the Borrower or a Restricted Subsidiary to a Person who, as of the time of incurrence of such obligations (or, in the case of any such obligations in existence on the Closing Date, within 30 days after the Closing Date), is the Administrative Agent, any other Agent, any Lender, an agent under the Term Loan Documents, a lender under the Term Loan Agreement or any Affiliate thereof (any such Person, a "***Cash Management Provider***") and (b) that have been designated by the Borrower, by notice to the Administrative Agent, as a Specified Cash Management Obligations under this Agreement. The designation of any Cash Management Obligations as Specified Cash Management Obligations shall not create in favor of the Cash Management Provider that is a party thereto (or their successors or assigns) any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Loan Documents. For the avoidance of doubt, all Cash Management Obligations pursuant to agreements in existence on the Closing Date between the Borrower or any Subsidiary Guarantor, on the one hand, and a Cash Management Provider, on the other hand, listed as such on Schedule 1.1B, shall constitute Specified Cash Management Obligations.

- "***Specified Disposition***": the Disposition by any Loan Party or its Restricted Subsidiaries of one or more lines of Business (and certain related assets for such lines of Business as set forth on the schedule referred to in this definition) disclosed in a schedule provided to the Administrative Agent, the Tranche A Revolving Lenders and the SISO Term Lenders prior to the Amendment No. 7 Effective Date.

- "***Specified Existing Tranche***": as defined in **Section 2.26(a)**.

- "***Specified Excluded Cash***": cash or Cash Equivalents located in the People's Republic of China and intraday cash borrowed on the applicable interest or regularly scheduled amortization payment date to be used to pay cash interest or regularly scheduled amortization on such date in respect of Indebtedness for borrowed-money owed to non-Affiliates of the Borrower.

- "***Specified Hedge Agreement***": any Hedge Agreement (a) entered into by (i) the Borrower or any Subsidiary Guarantor and (ii) a Hedge Bank, as counterparty and (b) that has been designated by the Borrower, by notice to the Administrative Agent, as a Specified Hedge Agreement in accordance with **Section 9.12(b)**; ***provided***, that Specified Hedge Agreement shall exclude any Excluded Swap Obligations. The designation of any Hedge Agreement as a Specified Hedge Agreement shall not create in favor of the Hedge Bank that is a party thereto (or their successors or assigns) any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Loan Documents. For the avoidance of doubt, all Hedge Agreements in existence on the Closing Date between the Borrower or any Subsidiary Guarantor, on the one hand, and a Hedge Bank, on the other hand, listed as such on Schedule 1.1B, shall constitute Specified Hedge Agreements.

- "***Specified Merger Agreement Representations***": such of the representations made by the Target with respect to the Target and its Subsidiaries in the Merger Agreement as are material to the interests of the Lenders and the Joint Bookrunners (in their capacities as such), but only to the extent that the Borrower (or its Affiliates) has the right to terminate the Borrower's (or such Affiliate's) obligations

under the Merger Agreement or the right to decline to consummate the Merger as a result of a breach of such representations in the Merger Agreement.

• "***Specified Representations***": the representations and warranties made solely with respect to the Loan Parties in **Sections 4.3(a)**, **4.4(a)**, **4.4(c), 4.5(a)**, **4.5(c)** (solely to the extent that such representation and warranty relates to agreements or instruments governing material Indebtedness of the relevant Loan Party the outstanding principal amount of which exceeds $50,000,000), **4.11**, **4.13**, **4.17(a)** (subject to the conditionality limitations set forth in the last paragraph of **Section 5.1**), **4.18**, **4.19**, **4.22** and the second sentence of **Sections 4.23** and **4.24** (in each case, after giving effect to the Transactions).

• "***Specified Reserve***": effective as of five Business Days after the date of written notice of any determination thereof to the Borrower by the Administrative Agent (which notice shall include a reasonable description of the basis for such determination), such amounts as the Administrative Agent, in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions, may from time to time establish a reserve against the Tranche A Borrowing Base (or the amount thereof, as the context requires) in respect of (i) Specified Hedge Agreements in effect at such time but only to the extent provided in **Section 9.12**, (ii) Specified Additional Obligations in effect at such time but only to the extent provided in **Section 9.12** and (iii) Specified Cash Management Obligations in effect at such time.

• "***Sponsor***": (a) Mafco, (b) each of Mafco's direct and indirect Subsidiaries and Affiliates, (c) Ronald O. Perelman, (d) any of the directors or executive officers of Mafco or (e) any of their respective Permitted Transferees.

• "***Spot Rate***": with respect to any currency, the rate determined by the Administrative Agent to be the rate quoted by the Oanda Corporation (or by any other provider of currency exchange rates, as selected by the Administrative Agent) as of which the foreign exchange computation is made; ***provided***, that the Administrative Agent may obtain such spot rate from another financial institution designated by it if it does not have as of the date of determination a spot buying rate for any such currency; ***provided***, ***further***, that the Administrative Agent may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Revolving Loan or Letter of Credit denominated in a Permitted Foreign Currency.

• "***Stated Maturity***": with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the payment of principal of such Indebtedness is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the re-purchase or repayment of such Indebtedness at the option of the holder thereof upon the happening of any contingency).

• "***Subsidiary***": as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person; ***provided***, that any joint venture that is not required to be consolidated with the Borrower and its consolidated Subsidiaries in accordance with GAAP shall not be deemed to be a "Subsidiary" for purposes hereof. Unless otherwise qualified, all references to a "***Subsidiary***" or to "***Subsidiaries***" in this Agreement shall refer to a direct or indirect Subsidiary or Subsidiaries of the Borrower.

• "***Subsidiary Guarantors***": (a) each Domestic Subsidiary other than any Excluded Subsidiary and (b) any other Subsidiary of the Borrower that is a party to the Guarantee and Collateral Agreement.

• "***Successor Borrower***": as defined in **Section 7.4(j)**.

• "***Successor Holdings***": as defined in **Section 7A**.

• "***Supermajority Lenders***":

dq. at any time prior to the Tranche A Discharge Date, the holders of at least 66⅔% of the sum of (i) the Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Revolving Extensions of Credit then outstanding plus (ii) the SISO Term Commitments then in effect or, if the SISO Term Commitments have been terminated, the aggregate principal amount of the SISO Term Loans then outstanding; ***provided***, ***however***, that determinations of the "Supermajority Lenders" shall exclude Revolving Commitments or Revolving Loans held by a Defaulting Lender and Revolving Commitments, Revolving Loans and SISO Term Loans of a Tranche B Term Lender (or, in each case, an Affiliate thereof) shall be deemed to vote in the same proportion as all other Revolving Commitments, Revolving Loans and SISO Term Loans not held by a Tranche B Term Lender (or, in each case, an Affiliate thereof); and

dr. thereafter, the holders of at least 66⅔% of the sum of the Tranche B Term Loans then in effect.

• "***Supermajority SISO Term Lenders***": at any time, the holders of at least 66⅔% of the sum of the SISO Term Commitments then in effect or, if the SISO Term Commitments have been terminated, the aggregate principal amount of all SISO Term Loans then outstanding.

• "***Supermajority Tranche A Revolving Lenders***": at any time, the holders of at least 66⅔% of the sum of the Tranche A Revolving Commitments then in effect or, if the Tranche A Revolving Commitments have been terminated, the Tranche A Revolving Extensions of Credit then outstanding; ***provided***, ***however***, that determinations of the "Supermajority Tranche A Revolving Lenders" shall exclude Tranche A Revolving Commitments or Tranche A Revolving Loans held by Defaulting Lenders.

• "***Swap Obligations***": 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***": the commitment of the Swingline Lender to make loans pursuant to **Section 2.6**, as the same may be changed from time to time pursuant to **Section 2.10** or **Section 2.6**.

• "***Swingline Exposure***": at any time the aggregate principal amount at such time of all outstanding Swingline Loans. The Swingline Exposure of each Tranche A Revolving Lender at any time shall equal its Tranche A Revolving Percentage of the aggregate Swingline Exposure at such time.

• "***Swingline Lender***": Citibank, N.A., or any other Tranche A Revolving Lender that becomes the Administrative Agent or agrees, with the approval of the Administrative Agent and the Company, to act as the Swingline Lender hereunder, in each case, in its capacity as the Swingline Lender hereunder.

- "***Swingline Loan***": any Loan made by the Swingline Lender pursuant to **Section 2.6**.

- "***Syndication Agent***": Merrill Lynch, Pierce, Fenner & Smith Incorporated, in its capacity as syndication agent.

- "***Target***": Elizabeth Arden, Inc., a Florida corporation.

- "***TARGET Day***" means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

- "***Target Material Adverse Effect***": any Effect that (a) would reasonably be expected to prevent or materially impair the ability of the Company or any of its subsidiaries to consummate the Merger and the other transactions contemplated by the Merger Agreement, or (b) has a material adverse effect on the business, results of operations or financial condition of the Company and its subsidiaries taken as a whole; ***provided***, that in the case of the foregoing **clause (b)**, no Effect to the extent resulting from or arising out of any of the following shall constitute or be taken into account in determining whether there has been a Target Material Adverse Effect: (i) changes in general economic or political conditions or financial, credit or securities markets in general (including changes in interest or exchange rates) in any country or region in which the Company or any of its subsidiaries conducts business; (ii) any Effects that affect the industries in which the Company or any of the Company's subsidiaries operate; (iii) any changes in Legal Requirements applicable to the Company or any of the Company's subsidiaries or any of their respective properties or assets or changes in GAAP, or any changes in interpretations of the foregoing; (iv) acts of war, armed hostilities, sabotage or terrorism, or any escalation or worsening of any acts of war, armed hostilities, sabotage or terrorism; (v) the negotiation, announcement or existence of, or any action taken that is required or expressly contemplated by the Merger Agreement and the transactions contemplated thereby (including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, vendors, lenders, employees, investors, or venture partners) or any action taken by the Company at the written request of or with the written consent of Parent; (vi) any changes in the credit rating of the Company or any of its subsidiaries, the market price or trading volume of shares of Common Stock or any failure to meet internal or published projections, forecasts or revenue or earnings predictions for any period, it being understood that any underlying event causing such changes or failures in whole or in part may be taken into account in determining whether a Target Material Adverse Effect has occurred; (vii) any litigation arising from allegations of a breach of fiduciary duty relating to the Merger Agreement or the transactions contemplated by the Merger Agreement; or (viii) any weather-related events, earthquakes, floods, hurricanes, tropical storms, fires or other natural disasters or any national, international or regional calamity, in each case of **clauses (i)**, **(ii)**, **(iii)**, **(iv)** or **(viii)**, to the extent such Effects, escalation or worsening do not have a materially disproportionate adverse impact on the Company and its subsidiaries relative to other companies operating in the geographic markets or segments of the industry in which the Company and its subsidiaries operate. Capitalized terms used in the above definition (other than "Merger Agreement" and "Target Material Adverse Effect") shall have the meanings set forth in the Merger Agreement as in effect on June 16, 2016.

- "***TARGET2***" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

- "***Tax Payments***": payments pursuant to the Company Tax Sharing Agreement and the Prior Tax Sharing Agreement, without duplication.

- "***Taxes***": all present and future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

- "***Term Designated Additional Obligations***": as defined in the ABL Intercreditor Agreement.

- "***Term Designated Banking Services Obligations***": as defined in the ABL Intercreditor Agreement.

- "***Term Designated Swap Obligations***": as defined in the ABL Intercreditor Agreement.

- "***Term Facility First Priority Collateral***": as defined in the ABL Intercreditor Agreement.

- "***Term Loan Agreement***": the Term Credit Agreement, dated as of September 7, 2016, by and among the Borrower, Holdings, Citibank, N.A., as administrative agent and collateral agent, and the other financial institutions party thereto, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

- "***Term Loan Documents***": the collective reference to the Term Loan Agreement and any other document, agreement and instrument executed and/or delivered in connection therewith or relating thereto, together with any amendment, supplement, waiver, or other modification to any of the foregoing.

- "***Term Pari Passu Obligations***": (i) the Initial Term B Loans and (ii) the obligations in respect of Indebtedness permitted to be incurred under **Section 7.2** that is (or is to be) secured on a pari passu basis with the Liens securing the Initial Term B Loans and/or other subsequent Term Pari Passu Obligations.

- "***Term SOFR***": for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

- "***Test Period***": on any date of determination, the period of four consecutive fiscal quarters of the Borrower (in each case taken as one accounting period) most recently ended on or prior to such date for which financial statements have been or are required to be delivered pursuant to **Section 6.1** or, prior to the first such delivery, the pro forma financial statements referred to in **Section 5.1(o)**.

- "***Tranche***": with respect to any Loan, Commitments, or SISO Term Commitments, refers to whether such Loans, Commitments, or SISO Term Commitments are

(1) (A) Tranche A Revolving Commitments or Tranche A Revolving Loans thereunder and

(B) SISO Term Loans or SISO Term Commitments,

(2) Tranche B Term Loans,

(3) Extended Revolving Commitments or Loans thereunder (of the same Extension Series), or

(4) Refinancing Revolving Commitments with the same terms and conditions made on the same day or Revolving Loans in respect thereof.

• "***Tranche A Availability***": at any time,

ds. the lesser of (i) the aggregate Tranche A Revolving Commitments in effect at such time and (ii) the Tranche A Revolving Borrowing Base at such time (based on the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to **Section 6.2(g)**, after giving effect to any Eligibility Reserve, Specified Reserve, Push Down Reserve or Dilution Reserve in effect at such time with respect to the Tranche A Borrowing Base (if any), in each case without duplication of any Eligibility Reserve or Dilution Reserve established with respect to the Tranche B Borrowing Base, whether or not reflected on such Borrowing Base Certificate but without duplication), ***minus***

dt. the aggregate amount of any Availability Reserve in effect at such time with respect to the Borrowing Base.

• "***Tranche A Borrowing Base***": at any time, the amount equal to:

du. 85% of the Dollar Equivalent of the face amount of all Eligible Receivables (calculated net of all finance charges, late fees and other fees that are unearned, sales, excise or similar taxes, and credits or allowances granted at such time with respect to such Eligible Receivables); ***plus***

dv. with respect to Eligible Inventory (valued, in each case, at the lower of a perpetual inventory at standard cost and market basis), the amount equal to:

i. the lesser of (A) 100% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Prime Finished Goods; ***plus***

ii. the lesser of (A) 100% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Tote Stores Inventory; ***plus***

iii. the lesser of (A) 50% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Special Markets Inventory; ***plus***

iv. the lesser of (A) 75% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Work-in-Process Inventory; ***plus***

v. the lesser of (A) 50% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Raw Materials; ***plus***

vi. the lesser of (A) 50% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Bulk Inventory; ***plus***

dw. the lesser of

(A) the sum of (1) 75% of the Net Orderly Liquidation Value of Eligible Equipment at such time ***plus*** (2) 75% of the Mortgage Value of Eligible Real Property at such time and

(B) 10% of the sum of (1) Tranche A Availability (calculated based on the amount described in **clause (c)(A)** of this definition of "Tranche A Borrowing Base," without giving effect to this **clause (c)(B)**) ***plus*** (2) the aggregate outstanding principal amount of the SISO Term Loans; ***plus***

dx. [reserved], ***plus***

dy. [reserved]; ***minus***

dz. in the case of **clauses (a)** through **(c)** above, any Eligibility Reserve in effect at such time with respect to the Tranche A Borrowing Base; ***minus***

ea. any Specified Reserve and Dilution Reserve in effect at such time with respect to the Tranche A Borrowing Base; ***minus***

eb. the Push Down Reserve.

• "***Tranche A Commitment Fee***": as defined in **Section 2.09(a)(i)**.

• "***Tranche A Discharge Date***": the date on which both the Tranche A Revolving Discharge Date and the SISO Discharge Date have occurred and all other Tranche A Obligations (other than (A) contingent or indemnification obligations not then due and (B) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations) have been repaid by or on behalf of the Borrower in full in cash

• "***Tranche A Revolving Borrowing Base***":

ec. Tranche A Borrowing Base ***minus***

ed. $100,000,000.

• "***Tranche A Revolving Commitment***": as to any Revolving Lender, the obligation of such Lender, if any, to make Tranche A Revolving Loans and participate in Letters of Credit, Local Loans, Acceptances and Swingline Loans in an aggregate principal and/or face amount not to exceed the amount set forth on **Schedule 2.1**, or, as the case may be, in the Assignment and Assumption pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to an Extension Amendment or otherwise pursuant to the terms hereof. The aggregate amount of the Tranche A Revolving Commitments as of the Amendment No. 7 Amendment Date is $300,000,000.

• "***Tranche A Revolving Discharge Date***": the date on which

ee. all Tranche A Revolving Loans (and any Refinancing Revolving Loans in respect thereof) and all Swingline Loans have been repaid by or on behalf of Borrower in full in cash;

ef. all Tranche A Revolving Commitments (and any Refinancing Revolving Commitments in respect thereof) and all Swingline Commitments have been permanently terminated;

eg. all Letters of Credit are no longer outstanding (or have been Cash Collateralized in a manner acceptable to the applicable Issuing Lender); and

eh. all amounts owing to any Tranche A Revolving Lender and the Administrative Agent in respect of the Tranche A Revolving Facility (other than (A) contingent or indemnification obligations not then due and (B) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations) have been repaid by or on behalf of Borrower in full in cash;

***provided***, that the Tranche A Revolving Discharge Date shall be deemed not to have occurred to the extent of a refinancing or replacement of the Tranche A Revolving Commitments with a Tranche A Refinancing complying with the terms of **Section 10.19(j)** of this Agreement.

- "***Tranche A Revolving Extensions of Credit***": as to each Revolving Lender at any time, an amount equal to the Dollar Equivalent of the sum of, without duplication (a) the aggregate principal amount of all Tranche A Revolving Loans held by such Lender then outstanding, (b) such Tranche A Revolving Lender's L/C Obligations and Tranche A Revolving Percentage of the Local Loans and Acceptances then outstanding, and (c) such Tranche A Revolving Lender's Swingline Exposure.

- "***Tranche A Revolving Facility***": as defined in the definition of "Facility".

- "***Tranche A Revolving Lenders***": each Lender that has a Tranche A Revolving Commitment or that holds Tranche A Revolving Loans.

- "***Tranche A Revolving Loans***": as defined in **Section 2.4(a)(i)**.

- "***Tranche A Revolving Percentage***": as to any Revolving Lender at any time, the percentage which such Lender's Tranche A Revolving Commitment then constitutes of the aggregate Tranche A Revolving Commitments or, at any time after the Tranche A Revolving Commitments shall have expired or terminated, the percentage which such Tranche A Revolving Lender's Tranche A Revolving Extensions of Credit then outstanding constitutes of the aggregate Tranche A Revolving Extensions of Credit then outstanding.

- "***Tranche A Revolving Secured Parties***": the Secured Parties in respect of the Tranche A Revolving Secured Obligations.

- "***Tranche A Revolving Secured Obligations***": Secured Obligations in respect of the Tranche A Revolving Facility, Letters of Credit, Swingline Loans, Local Loans, Protective Advances and, to the extent Specified Reserves have been established in respect thereof, all obligations in respect of the Specified Hedge Agreements, the Specified Cash Management Obligations and the Specified Additional Obligations.

- "***Tranche A Secured Parties***": Secured Parties in respect of Tranche A Secured Obligations.

- "***Tranche A Secured Obligations***": Tranche A Revolving Secured Obligations, SISO Secured Obligations and other Secured Obligations in respect of the Tranche A Revolving Facility.

- "***Tranche B Administrative Agent***": Alter Domus (US) LLC, as the administrative agent for the Tranche B Facility, together with any of its successors and permitted assigns in such capacity in accordance with **Section 9.9**.

- "***Tranche B Borrowing Base***": at any time, the amount equal to:

ei. 15% of the Dollar Equivalent of the face amount of all Eligible Receivables (calculated net of all finance charges, late fees and other fees that are unearned, sales, excise or similar taxes, and credits or allowances granted at such time with respect to such Eligible Receivables); ***plus***

ej. with respect to Eligible Inventory (valued, in each case, at the lower of a perpetual inventory at standard cost and market basis), the amount equal to:

i.if **clause (b)(i)** of the Tranche A Borrowing Base is based upon the Net Orderly Liquidation Percentage, the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Prime Finished Goods; ***plus***

ii.if **clause (b)(ii)** of the Tranche A Borrowing Base is based upon the Net Orderly Liquidation Percentage, the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Tote Stores Inventory; ***plus***

iii.the lesser of (A) 50% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Special Markets Inventory; ***plus***

iv.the lesser of (A) 25% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Work-in-Process Inventory; ***plus***

v.the lesser of (A) 50% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Raw Materials; ***plus***

vi.the lesser of (A) 50% or (B) the Net Orderly Liquidation Percentage of the Dollar Equivalent of the value of all Eligible Bulk Inventory; ***plus***

ek. the sum of (1) 25% of the Net Orderly Liquidation Value of Eligible Equipment at such time ***plus*** (2) 25% of the Mortgage Value of Eligible Real Property at such time; ***minus***

el. in the case of **clauses (a)** and **(c)** above, any Eligibility Reserve in effect at such time with respect to the Tranche B Borrowing Base; ***minus***

em. any Dilution Reserve in effect at such time with respect to the Tranche B Borrowing Base; ***minus***

en. (i) the Tranche B Maximum Amount ***minus*** (ii) the aggregate principal amount of the Tranche B Term Facility in effect at such time.

- "***Tranche B Maximum Amount***": the aggregate principal amount of all Tranche B Term Loans that have or may be issued to holders of 2021 Notes as part of the 2021 Notes Exchange (whether or not such Tranche B Term Loans have been issued).

- "***Tranche B Register***" as define in **Section 10.6(b)(iv)**.

- "***Tranche B Secured Obligations***": Secured Obligations in respect of the Tranche B Term Facility.

- "***Tranche B Term Facility***": as defined in the definition of "Facility".

• "***Tranche B Term Lender***": each Lender that holds a Tranche B Term Loan.

• "***Tranche B Term Loans***": as defined in **Section 2.4(a)(ii)**. Notwithstanding anything to the contrary, the aggregate principal amount of the Tranche B Term Loans shall not exceed $50,000,000.

• "***Tranche Revolving Percentage***": as to any Revolving Lender and Tranche at any time, the percentage which such Lender's Revolving Commitment with respect to such Tranche then constitutes of the aggregate Revolving Commitments with respect to such Tranche or, at any time after such Revolving Commitments shall have expired or terminated, the percentage which such Revolving Lender's Revolving Extensions of Credit with respect to such Tranche then outstanding constitutes of the aggregate Revolving Extensions of Credit with respect to such Tranche then outstanding.

• "***Transaction Costs***": as defined in the definition of "Transactions."

• "***Transactions***": the consummation of the Merger in accordance with the terms of the Merger Agreement and the other transactions described therein, together with each of the following transactions consummated or to be consummated in connection therewith:

(a) the Borrower obtaining the Tranche A Revolving Facility and the Initial Term B Loans;

(b) the Borrower (or a subsidiary thereof) issuing senior unsecured notes pursuant to a private placement under Rule 144A or other private placement yielding $450,000,000 in gross cash proceeds from the issuance of eight-year notes (the "***2024 Notes***") and releasing such gross cash proceeds from escrow;

(c) the occurrence of the Refinancing; and

(d) the payment of all fees, costs and expenses incurred in connection with the transactions described in the foregoing provisions of this definition (the "***Transaction Costs***").

• "***Type***": as to any Loan, its nature as an ABR Loan or Eurocurrency Loan.

• "***UCP***": with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce ("***ICC***") Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

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

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

• "***Unadjusted Benchmark Replacement***": the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

• "***United States***": the United States of America.

• "***Unrestricted Cash***": as at any date of determination, the aggregate amount of cash and Cash Equivalents included in the cash accounts that would be listed on the consolidated balance sheet of the Borrower and its Restricted Subsidiaries as at such date, to the extent such cash and Cash Equivalents are not (a) subject to a Lien securing any Indebtedness or other obligations, other than (i) the Secured Obligations or (ii) any such other Indebtedness that is subject to any Intercreditor Agreement or (b) classified as "restricted" (unless so classified solely because of any provision under the Loan Documents or any other agreement or instrument governing other Indebtedness that is subject to any Intercreditor Agreement governing the application thereof or because they are subject to a Lien securing the Secured Obligations or other Indebtedness that is subject to any Intercreditor Agreement).

• "***Unrestricted Subsidiary***": (i) any Escrow Entity, (ii) any Subsidiary of the Borrower designated as such and listed on **Schedule 4.14** on the Closing Date and (iii) any Subsidiary of the Borrower that is designated by a resolution of the Board of Directors of the Borrower as an Unrestricted Subsidiary, but only to the extent that, in the case of each of **clauses (ii)** and **(iii)**, such Subsidiary:

eo. has no Indebtedness other than Non-Recourse Debt (other than such Indebtedness to the extent any related obligations of the Borrower or its Restricted Subsidiaries would otherwise be permitted under **Section 7.7**);

ep. is not party to any agreement, contract, arrangement or understanding with the Borrower or any Restricted Subsidiary unless (x) the terms of any such agreement, contract, arrangement or understanding, taken as a whole (as shall be determined by the Borrower in good faith), are no less favorable to the Borrower or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Borrower or (y) the Borrower or any Restricted Subsidiary would be permitted to enter into such agreement, contract, arrangement or understanding with an Unrestricted Subsidiary pursuant to **Section 7.9**;

eq. is a Person with respect to which neither the Borrower nor any of its Restricted Subsidiaries has any direct or indirect obligation (x) to subscribe for additional Capital Stock or warrants, options or other rights to acquire Capital Stock or (y) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, unless, in each case, the Borrower or any Restricted Subsidiary would be permitted to incur any such obligation with respect to an Unrestricted Subsidiary pursuant to **Section 7.7**; and

er. does not guarantee or otherwise provide credit support after the time of such designation for any Indebtedness of the Borrower or any of its Restricted Subsidiaries unless it also guarantees or provides credit support in respect of the Obligations, in the case of **clauses (a)**, **(b)** and **(c)**, except to the extent not otherwise prohibited by **Section 7.7**.

If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes hereof. Subject to the foregoing, the Borrower may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary or any Restricted Subsidiary to be an Unrestricted Subsidiary; ***provided***, that

(i) such designation shall only be permitted if no Event of Default would be in existence following such designation,

(ii) any designation of an Unrestricted Subsidiary as a Restricted Subsidiary shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of any outstanding Indebtedness of such Unrestricted Subsidiary,

(iii) any designation of a Restricted Subsidiary as an Unrestricted Subsidiary shall be deemed to be an Investment in an Unrestricted Subsidiary and shall reduce amounts available for Investments in Unrestricted Subsidiaries permitted by **Section 7.7** in an amount equal to the Fair Market Value of the Subsidiary so designated,

(iv) any designation or re-designation of a Subsidiary as an Unrestricted Subsidiary or Restricted Subsidiary shall be consistent for the purposes of this Agreement, the Term Loan Agreement and the 2024 Notes and

(v) if such designation is of a Restricted Subsidiary that

(A) contributes in excess of 10% of the Tranche A Borrowing Base immediately prior to the designation of such Subsidiary as an Unrestricted Subsidiary or

(B) owns Intellectual Property such that after giving effect to the designation of such Subsidiary as an Unrestricted Subsidiary Inventory in excess of 10% of the Tranche A Borrowing Base immediately prior to such designation would no longer constitute Eligible Inventory, then, in either case, prior to such designation,

the Borrower shall deliver to the Administrative Agent an updated Borrowing Base Certificate demonstrating, after giving pro forma effect to such designation as an Unrestricted Subsidiary and any other transactions in connection therewith (including, without limitation, any prepayment or repayment of the Loans and removal from the Borrowing Base of any Inventory that is no longer Eligible Inventory),

(x) Excess Availability would not be less than the Financial Covenant Block or

(y) if such designation is on or after the Tranche A Revolving Discharge Date, the aggregate principal amount of the SISO Term Loans then outstanding does not exceed the Tranche A Borrowing Base.

Any such Borrowing Base Certificate shall be delivered or caused to be delivered to the Lenders.

For the avoidance of doubt, a Local Borrowing Subsidiary may not be designated as an Unrestricted Subsidiary so long as such Restricted Subsidiary is a Local Borrowing Subsidiary.

- "***US Lender***": as defined in **Section 2.20(g)**.

- "***USA Patriot Act***": as defined in **Section 10.18**.

- "***Weighted Average Life to Maturity***": when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the

nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness.

• "***Will be able to pay their Liabilities as they mature***": for the period from the date hereof through the Latest Maturity Date, the Borrower and its Subsidiaries taken as a whole and after giving effect to the consummation of the Transactions will have sufficient assets, credit capacity and cash flow to pay their Liabilities as those Liabilities mature or (in the case of contingent Liabilities) otherwise become payable, in light of business conducted or anticipated to be conducted by the Borrower and its Subsidiaries as reflected in the projected financial statements and in light of the anticipated credit capacity.

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

**es. Other Definitional Provisions.**

1. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

2. As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms relating to the Borrower and its Subsidiaries not defined in **Section 1.1** and accounting terms partly defined in **Section 1.1**, to the extent not defined, shall have the respective meanings given to them under GAAP, (ii) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation," and (iii) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time.

3. The words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

4. The term "license" shall include sub-license. The term "documents" includes any and all documents whether in physical or electronic form.

5. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

6. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to

herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at "fair value", as defined therein, and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

7. In connection with any action being taken in connection with a Limited Condition Acquisition, for purposes of determining compliance with any provision of this Agreement which requires that no Default, Event of Default or specified Event of Default, as applicable, has occurred, is continuing or would result from any such action, as applicable, at the option of the Borrower pursuant to an LCA Election such condition shall be deemed satisfied so long as no Default, Event of Default or specified Event of Default, as applicable, exists on the date the definitive agreements for such Limited Condition Acquisition are entered into after giving pro forma effect to such Limited Condition Acquisition and the actions to be taken in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) as if such Limited Condition Acquisition and other actions had occurred on such date. For the avoidance of doubt, if the Borrower has exercised its option under the first sentence of this **clause (g)**, and any Default or Event of Default occurs following the date the definitive agreements for the applicable Limited Condition Acquisition were entered into and prior to the consummation of such Limited Condition Acquisition, any such Default or Event of Default shall be deemed not to have occurred or be continuing solely for purposes of determining whether any action being taken in connection with such Limited Condition Acquisition is permitted hereunder.

8. In connection with any action being taken solely in connection with a Limited Condition Acquisition, for purposes of:

i. determining compliance with any provision of this Agreement which requires the calculation of the Consolidated Net First Lien Leverage Ratio, Consolidated Net Secured Leverage Ratio, Consolidated Net Total Leverage Ratio, Specified Availability Fixed Charge Coverage Ratio or Fixed Charge Coverage Ratio; or

ii. testing availability under baskets set forth in this Agreement (including baskets measured as a percentage of Consolidated Total Assets);

in each case, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Acquisition, an "***LCA Election***"), the date of determination of whether any such action is permitted hereunder shall be deemed to be the date the definitive agreements for such Limited Condition Acquisition are entered into (the "***LCA Test Date***"), and if, after giving pro forma effect to the Limited Condition Acquisition and the other transactions to be entered into in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) as if they had occurred at the beginning of the most recent four consecutive fiscal quarters ending prior to the LCA Test Date for which consolidated financial statements of the Borrower are available, the Borrower could have taken such action on the relevant LCA Test Date in compliance with such ratio or basket, such ratio or basket shall be deemed to have been complied with. For the avoidance of doubt, if the Borrower has made an LCA Election and any of the ratios or baskets for which compliance was determined or tested as of the LCA Test Date are exceeded as a result of fluctuations in any such ratio or basket, including due to fluctuations in Consolidated Total Assets of the Borrower or the Person subject to such Limited Condition

Acquisition, at or prior to the consummation of the relevant transaction or action, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations. If the Borrower has made an LCA Election for any Limited Condition Acquisition, then in connection with any subsequent calculation of any ratio or basket availability with respect to the incurrence of Indebtedness or Liens, or the making of Restricted Payments, mergers, the conveyance, lease or other transfer of all or substantially all of the assets of the Borrower, the prepayment, redemption, purchase, defeasance or other satisfaction of Indebtedness, or the designation of an Unrestricted Subsidiary 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 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 such Limited Condition Acquisition and other transactions in connection therewith (including any incurrence of Indebtedness and the use of proceeds thereof) have been consummated; ***provided*** that the calculation of Consolidated Net Income (and any defined term a component of which is Consolidated Net Income) shall not include the Consolidated Net Income of the Person or assets to be acquired in any Limited Condition Acquisition for usages other than in connection with the applicable transaction pertaining to such Limited Condition Acquisition until such time as such Limited Condition Acquisition is actually consummated (**clauses (g)** and **(h)**, collectively, the "***Limited Condition Acquisition Provision***").

9. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

**et. Pro Forma Calculations**

. (i) Any calculation to be determined on a "pro forma" basis, after giving "pro forma" effect to certain transactions or pursuant to words of similar import and (ii) the Consolidated Net First Lien Leverage Ratio, the Consolidated Net Secured Leverage Ratio, the Consolidated Net Total Leverage Ratio, the Specified Availability Fixed Charge Coverage Ratio and the Fixed Charge Coverage Ratio, in each case, shall be calculated as follows (subject to the provisions of **Section 1.2**):

10. for purposes of making the computation referred to above, in the event that the Borrower or any of its Restricted Subsidiaries incurs, assumes, guarantees, redeems, retires, defeases or extinguishes any Indebtedness or enters into, terminates or cancels a Qualified Contract, other than the completion thereof in accordance with its terms, subsequent to the commencement of the period for which such ratio is being calculated but on or prior to or substantially concurrently with or for the purpose of the event for which the calculation is made (a "***Calculation Date***"), then such calculation shall be made giving pro forma effect to such incurrence, assumption, guarantee, redemption, retirement, defeasance or extinguishment of Indebtedness or entry into, termination or cancellation of such Qualified Contract (other than the completion thereof in accordance with its terms) as if the same had occurred at the beginning of the applicable Test Period; ***provided***, that the aggregate amount of revenues (and related assets) included in such pro forma calculation for any Test Period pursuant to this **clause 1.3(a)** with respect to Qualified Contracts shall not exceed $50 million in revenues (and any such related assets); ***provided***, ***further***, that for purposes of making the computation of Consolidated Net First Lien Leverage, Consolidated Net Secured Leverage, Consolidated Net Total Leverage or Fixed Charges for the computation of the Consolidated Net First Lien Leverage Ratio, Consolidated Net Secured Leverage

Ratio, Consolidated Net Total Leverage Ratio, Specified Availability Fixed Charge Coverage Ratio or Fixed Charge Coverage Ratio, as applicable, Consolidated Net First Lien Leverage, Consolidated Net Secured Leverage, Consolidated Net Total Leverage or Fixed Charges, as applicable, shall be Consolidated Net First Lien Leverage, Consolidated Net Secured Leverage, Consolidated Net Total Leverage or Fixed Charges as of the date the relevant action is being taken giving pro forma effect to any redemption, retirement or extinguishment of Indebtedness in connection with such event; and

11. for purposes of making the computation referred to above, if any Investments (including the Transactions), brand acquisitions, Dispositions or designations of Unrestricted Subsidiaries or Restricted Subsidiaries are made (or committed to be made pursuant to a definitive agreement) subsequent to the commencement of the period for which such calculation is being made but on or prior to or simultaneously with the relevant Calculation Date, then such calculation shall be made giving pro forma effect to such Investments, brand acquisitions, Dispositions and designations as if the same had occurred at the beginning of the applicable Test Period in a manner consistent, where applicable, with the pro forma adjustments set forth in **clause (n)** of the definition of "Consolidated EBITDA" and **clause (o)** of the definition of "Consolidated Net Income". If since the beginning of such period any Person that subsequently became a Restricted Subsidiary or was merged with or into the Borrower or any of its Restricted Subsidiaries since the beginning of such period shall have made any Investment, brand acquisitions or Disposition that would have required adjustment pursuant to this provision, then such calculation shall be made giving pro forma effect thereto for such Test Period as if such Investment, brand acquisitions or Disposition had occurred at the beginning of the applicable Test Period.

**eu. Exchange Rates; Currency Equivalents**

. The Administrative Agent shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Equivalent amounts of the face amount of Letters of Credit, L/C Disbursements in respect of such Letters of Credit, Local Loans and/or Acceptances denominated in Permitted Foreign Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. The Administrative Agent shall notify the applicable Issuing Lender and the Borrower on each Revaluation Date of the Spot Rates determined by it and the related Dollar Equivalent of Local Loans and Acceptances then outstanding. Solely for purposes of **Sections 2** and **3** and related definitional provisions to the extent used in such Sections, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent and notified to the Borrower and the applicable Issuing Lender in accordance with this **Section 1.4**. If any basket is exceeded solely as a result of fluctuations in applicable currency exchange rates after the last time such basket was utilized, such basket will not be deemed to have been exceeded solely as a result of such fluctuations in currency exchange rates. For purposes of determining the Consolidated Net First Lien Leverage Ratio, the Consolidated Net Secured Leverage Ratio, the Consolidated Net Total Leverage Ratio, the Specified Availability Fixed Charge Coverage Ratio and the Fixed Charge Coverage Ratio, amounts denominated in a currency other than Dollars will be converted to Dollars for the purposes of calculating any Consolidated Net Total Leverage Ratio, the Consolidated Net Secured Leverage Ratio, the Consolidated Net First Lien Leverage Ratio, the Specified Availability Fixed Charge Coverage Ratio and the Fixed Charge Coverage Ratio, at the Spot Rate as of the date of calculation, and will, in the case of Indebtedness, reflect the currency translation effects, determined in accordance with GAAP, of Hedge Agreements permitted hereunder for currency exchange risks with respect to the applicable currency in effect on the date of determination of the Dollar Equivalent of such Indebtedness.

**ev. Letter of Credit and Acceptance Amounts**

. Unless otherwise specified herein, the amount of a Letter of Credit or Acceptance at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit or Acceptance, as applicable, in effect at such time; ***provided***, ***however***, that with respect to any Letter of Credit or Acceptance that, by its terms or the terms of the Application or any other document, agreement or instrument entered into by the applicable Issuing Lender or Local Fronting Lender, as applicable, and the Borrower with respect thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit or Acceptance, as applicable, shall be deemed to be the maximum stated amount of such Letter of Credit or Acceptance, as applicable, after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

**ew. Covenants**

. For purposes of determining compliance with **Section 7** (other than **Section 7.6** or **Sections 7.2(i), 7.2(j)(ii), 7.2(p)** or **7.2(aa)**), in the event that an item or event (or any portion thereof) meets the criteria of one or more of the categories described in a particular covenant contained in **Section 7** (other than **Section 7.6** or **Sections 7.2(i), 7.2(j)(ii), 7.2(p)** or **7.2(aa)**), the Borrower may, in its sole discretion, classify and reclassify or later divide, classify or reclassify (as if incurred at such later time) such item or event (or any portion thereof) and may include the amount and type of such item or event (or any portion thereof) in one or more of the relevant clauses or subclauses, in each case, within such covenant and will be entitled to include such item or event (or any portion thereof) only in one of the relevant clauses or subclauses (or any portion thereof). In the case of an item or event (or any portion thereof) that is incurred pursuant to or otherwise included in a clause or subclause (or any portion thereof) of a covenant that does not rely on criteria based on the Consolidated Net First Lien Leverage Ratio, the Consolidated Net Secured Leverage Ratio, the Consolidated Net Total Leverage Ratio, the Specified Availability Fixed Charge Coverage Ratio or the Fixed Charge Coverage Ratio (any such item or event, a "***Fixed Basket Item or Event***" and any such clause, subclause or any portion thereof, a "***Fixed Basket***") substantially concurrently with an item or event (or any portion thereof) that is incurred pursuant to or otherwise included in a clause or subclause (or any portion thereof) of a covenant that relies on criteria based on such financial ratios or tests (any such item or event, a "***Ratio Basket Item or Event***" and any such clause, subclause or any portion thereof, a "***Ratio Basket***"), such Ratio Basket Item or Event shall be treated as having been incurred or existing pursuant only to such Ratio Basket without giving pro forma effect to any such Fixed Basket Item or Event (other than a Fixed Basket Item or Event that relies on the term "Permitted Refinancing", "Permitted Revolving Refinancing Obligations" or "Permitted SISO Refinancing Obligations") incurred pursuant to or otherwise included in a Fixed Basket substantially concurrently with such Ratio Basket Item or Event when calculating the amount that may be incurred or existing pursuant to any such Ratio Basket. Furthermore, (A) for purposes of **Section 7.2**, the amount of any Indebtedness denominated in any currency other than Dollars shall be calculated based on the applicable Spot Rate, in the case of such Indebtedness incurred (in respect of funded term Indebtedness) or committed (in respect of revolving or delayed draw Indebtedness), on the date that such Indebtedness was incurred (in respect of funded term Indebtedness) or committed (in respect of revolving or delayed draw Indebtedness); ***provided*** that if such Indebtedness is incurred to refinance other Indebtedness denominated in a currency other than Dollars (or in a different currency from the Indebtedness being refinanced), and such refinancing would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the applicable Spot Rate on the date of such refinancing, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (i) the outstanding or committed principal amount, as applicable, of such Indebtedness being refinanced plus (ii) the aggregate amount of accrued interest, fees,

underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing, (B) for purposes of **Sections 7.3**, **7.5**, **7.6** and **7.7**, the amount of any Liens, Dispositions, Restricted Payments and Investments, as applicable, denominated in any currency other than Dollars shall be calculated based on the applicable Spot Rate, (C) for purposes of any calculation under **Sections 7.2** and **7.3**, if the Borrower elects to give pro forma effect in such calculation to the entire committed amount of any proposed Indebtedness, whether or not then drawn, such committed amount may thereafter be borrowed and reborrowed, in whole or in part, from time to time, without further compliance with **Section 7.2** or **7.3**, but for so long as such Indebtedness is outstanding or in effect, the entire committed amount of such Indebtedness then in effect shall be included in any calculations under **Sections 7.2** and **7.3**, (D) any cash proceeds of Indebtedness shall be excluded as Unrestricted Cash and not netted for purposes of calculating any financial ratios and tests with respect to any substantially concurrent incurrence of a Ratio Basket Item or Event pursuant to a Ratio Basket and (E) any Fixed Basket Item or Event incurred pursuant to or otherwise included pursuant to a Fixed Basket based on Consolidated Total Assets shall be calculated based upon the Consolidated Total Assets at the time of such incurrence (it being understood that a Default shall be deemed not to have occurred solely to the extent that the Consolidated Total Assets after the time of such incurrence declines).

**Section II.**

**AMOUNT AND TERMS OF COMMITMENTS**

**ex. [reserved].**

**ey. [reserved].**

**ez. [reserved].**

**fa. Revolving Commitments and Term Loans.**

12. **Loans**

iii.(A) ***Tranche A Revolving Loans*.** Subject to the terms and conditions hereof, each Tranche A Revolving Lender severally agrees to make revolving credit loans in Dollars ("***Tranche A Revolving Loans***") to the Borrower from time to time during the Revolving Commitment Period in an aggregate principal amount at any one time outstanding which, when added to such Tranche A Revolving Lender's other Tranche A Revolving Extensions of Credit then outstanding, does not exceed the amount of such Tranche A Revolving Lender's Tranche A Revolving Commitment; ***provided*** that after giving effect to the making and the use of proceeds thereof, the aggregate Tranche A Revolving Extensions of Credit plus the face amount of any Cash Collateralized Letters of Credit shall not exceed the Tranche A Availability then in effect.

(B) ***SISO Term Loans*.** Subject to the terms and conditions hereof, each SISO Term Lender severally agrees to make term loans in Dollars ("***SISO Term Loans***") to the Borrower on the Amendment No. 7 Amendment Date in an aggregate principal amount not to exceed the amount of such SISO Term Lender's SISO Term Commitment. Once repaid by or on behalf of the Borrower, SISO Term Loans may not be reborrowed.

iv.***Tranche B Term Loans***

a. On the 2021 Notes Exchange Effective Date, the Borrower shall deliver a register (the "***Tranche B Rights Register***") of each Person (such Person, the "***Tranche B***

***Rights Holder***") that, pursuant to the 2021 Notes Exchange, has the right to cause the Borrower to issue Tranche B Term Loans (a "***Tranche B Right***") to such Person or its designee in accordance with the 2021 Notes Exchange (any such recipient of such Tranche B Term Loans, a "***Tranche B Recipient***"). The Tranche B Rights Register shall identify each Person by legal name, the amount of 2021 Notes tendered by such Person and the aggregate principal amount of Tranche B Term Loans such Person or its designated Tranche B Recipient may receive. To be eligible to receive a Tranche B Term Loan, a Tranche B Recipient must be an Eligible Assignee. To designate another Person as its Tranche B Recipient, a Tranche B Rights Holder shall deliver a notice of designation, in a form acceptable to the Tranche B Administrative Agent, identifying the Tranche B Rights Holder and the aggregate principal amount of loans to be received by the designated Tranche B Recipient (a "***Tranche B Rights Designation***").

b. To exercise such rights, a Tranche B Rights Holder shall deliver (or cause it designated Tranche B Recipient to deliver) a 2021 Notes Lender Joinder Agreement, a Tranche B Rights Designation (if applicable), all documentation and other information reasonably determined by the Tranche B Administrative Agent to be required by applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act, and such other customary documentation as may be reasonably requested by the Tranche B Administrative Agent. Upon execution and delivery of a 2021 Notes Lender Joinder Agreement by such Tranche B Term Lender on or after the 2021 Notes Exchange Effective Date to the Tranche B Administrative Agent with such completed documentation (and upon acceptance of such 2021 Notes Lender Joinder Agreement and documentation by such Tranche B Administrative Agent), each Tranche B Term Lender shall be deemed to have made a term loan in Dollars on a cashless basis ("***Tranche B Term Loans***") to the Borrower as of the 2021 Notes Exchange Effective Date in accordance with the 2021 Notes Exchange and in an aggregate principal amount as set forth in the Initial Tranche B Facility Register; ***provided***, that the aggregate principal amount of all Tranche B Term Loans shall not exceed $50,000,000. On the Amendment No. 5 Effective Date, if the Tranche B Maximum Amount exceeds the Tranche B Borrowing Base at such time, a Push Down Reserve shall be established against the Tranche A Borrowing Base in the amount of such excess. Once repaid by or on behalf of the Borrower, Tranche B Term Loans may not be reborrowed. Any Tranche B Term Loans deemed borrowed on the 2021 Notes Exchange Effective Date shall be deemed to be a Eurocurrency Loan with an Interest Period of three months.

c. On the 2021 Notes Exchange Effective Date, the Borrower shall deliver to the Tranche B Administrative Agent a register with the name of each Tranche B Term Lender and the aggregate principal amount of the Tranche B Term Loans held by such Lender (the "***Initial Tranche B Term Facility Register***") as of the 2021 Notes Exchange Effective Date. The entries on the Initial Tranche B Term Facility Register shall be conclusive and the Tranche B Administrative Agent may treat each person whose name is recorded in the Initial Tranche B Term Register as the owner of Tranche B Term Loans in an aggregate principal amount as set forth in the Initial Tranche B Term Facility Register as of the 2021 Notes Exchange Effective Date for all purposes of this Agreement, notwithstanding any notice to the contrary. The entries on the Tranche B Rights Register shall be conclusive and the Tranche B Administrative Agent may treat each person whose name is recorded in the Tranche B Rights Register as the owner of the

right to cause the Borrower to issue Tranche B Term Loans in the amount set forth in the Tranche B Rights Register for all purposes of this Agreement, notwithstanding any notice to the contrary. For the avoidance of doubt, the Tranche B Administrative Agent shall have no liability for the accuracy or completeness of the Initial Tranche B Term Facility Register or the Tranche B Rights Register. To the extent there is any conflict between a 2021 Notes Lender Joinder Agreement and the Initial Tranche B Term Facility Register, the Initial Tranche B Term Facility Register shall govern. To the extent there is any conflict between a 2021 Notes Lender Joinder Agreement or the Initial Tranche B Term Facility Register and the Tranche B Rights Register, the Tranche B Rights Register shall govern.

v. During the Revolving Commitment Period, the Borrower may use the Revolving Commitments by borrowing, prepaying the Revolving Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

vi. [reserved].

vii. The Revolving Loans, the SISO Term Loans and Tranche B Term Loans may from time to time be Eurocurrency Loans or, solely in the case of Revolving Loans, the SISO Term Loans and Tranche B Term Loans, in each case, denominated in Dollars, ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with **Sections 2.5** and **2.13**.

13. Subject to the terms and conditions hereof, each Local Fronting Lender severally agrees to make loans (and, to the extent provided in **Section 2.31**, to create Acceptances) under the aggregate Tranche A Revolving Commitments, in Dollars or in the Permitted Foreign Currency set forth on **Schedule 2.4(b)**, to the Borrower or to the Local Borrowing Subsidiary for such Permitted Foreign Currency from time to time during the Revolving Commitment Period (individually, a "***Local Loan***", and collectively, the "***Local Loans***"); ***provided***, ***however***, that, after giving effect to the making and the use of proceeds thereof, (i) the aggregate amount of the Local Outstandings of such Local Fronting Lender shall not exceed the amount equal to its Currency Sublimit then in effect and (ii) the aggregate Tranche A Revolving Extensions of Credit shall not exceed the Tranche A Availability then in effect. The Local Loans made by each Local Fronting Lender generally shall be made by such Local Fronting Lender from a lending office which is located within the jurisdiction of its respective Permitted Foreign Currency; ***provided***, ***however***, that, in the event that the Company or the relevant Local Borrowing Subsidiary so requests and the relevant Local Fronting Lender (in its sole discretion) so agrees, any Local Loans to be made by such Local Fronting Lender may be made from a lending office of such Local Fronting Lender which is not located in the jurisdiction of its Permitted Foreign Currency. During the Revolving Commitment Period, the Local Borrowers may use the aggregate Tranche A Revolving Commitments by borrowing Local Loans and Acceptances, repaying the Local Loans and Acceptances in whole or in part and reborrowing, all in accordance with the terms and conditions hereof.

14. Notwithstanding anything to the contrary contained in this Agreement or any other Loan Document,

viii. no Local Borrowing Subsidiary organized under the laws of any jurisdiction outside the United States shall pay or be obligated under any Loan Document to pay any amounts, including any amounts owing by or on account of any other Loan Party pursuant to this Agreement or any other Loan Document or in respect of any other Secured Obligations, other than the Obligations arising from the Local Loans of such Local Borrowing Subsidiary and

ix.no assets of any Local Borrowing Subsidiary organized outside of the United States shall be used to pay or secure obligations of the Company, any other Loan Party or any other Local Borrowing Subsidiary under any Loan Document or in respect of any other Secured Obligations, in each case of **clauses (i)** and **(ii)**, only to the extent that the Borrower has not elected to make such Local Borrowing Subsidiary a Subsidiary Guarantor.

15. Notwithstanding the provisions set forth in **Section 2.10**, **Section 2.11** and **Section 2.12** each of which shall not apply to repayments or terminations of Loans or Commitments pursuant to this **Section 2.4(d)**, the Borrower shall repay all outstanding Revolving Loans, Local Loans and Swingline Loans on the Revolving Termination Date with respect to the applicable Tranche of Revolving Loans or commitments. For the avoidance of doubt, unless terminated earlier, all Tranche A Revolving Commitments shall automatically terminate on the Revolving Termination Date with respect to the Tranche A Revolving Facility. The Borrower shall repay all outstanding SISO Term Loans on the Revolving Termination Date with respect to the SISO Term Loans. The Borrower shall repay all outstanding Tranche B Term Loans on the Revolving Termination Date with respect to the Tranche B Term Loans.

**fb. Procedure for Borrowing.**

16. The Borrower may borrow (i) under the applicable Revolving Commitments during the applicable Revolving Commitment Period on any Business Day and (ii) the SISO Term Loans in a single draw on the Amendment No. 7 Amendment Date; ***provided*** that the Borrower shall give the Administrative Agent irrevocable written notice (which notice must be received by the Administrative Agent in the case of Eurocurrency Loans denominated in Dollars, prior to 12:00 Noon, New York City time, three Business Days prior to the requested Borrowing Date, or in the case of ABR Loans, prior to 1:00 p.m., New York City time, on the proposed Borrowing Date), specifying (w) the amount and Type of Loans to be borrowed, (x) the requested Borrowing Date, and (y) in the case of Eurocurrency Loans, the respective amounts of each such Type of Loan and the respective lengths of the initial Interest Period therefor; ***provided***, ***further***, that if the Borrower wishes to request Eurocurrency Loans having an Interest Period other than one, two, three or six months in duration as provided in the definition of "Interest Period," the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. four Business Days prior to the requested date of such borrowing, conversion or continuation, whereupon the Administrative Agent shall give prompt notice to the appropriate Lenders of such request and determine whether the requested Interest Period is acceptable to all of them.

Not later than 11:00 a.m., three Business Days before the requested date of such borrowing, conversion or continuation, the Administrative Agent shall notify the Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders. Each borrowing by the Borrower under the Revolving Commitments shall be in an amount equal to (x) in the case of ABR Loans, $250,000 or a whole multiple of $100,000 in excess thereof (or, if the then aggregate Available Revolving Commitments of Revolving Lenders in respect of any Tranche are less than $250,000, such lesser amount with respect to borrowings under such Tranche) and (y) in the case of Eurocurrency Loans, the Borrowing Minimum or a whole multiple of the Borrowing Multiple in excess thereof. Upon receipt of any such notice from the Borrower, the Administrative Agent shall promptly notify each applicable Lender thereof. Each applicable Lender will make the amount of its **pro rata** share of each borrowing available to the Administrative Agent for the account of the Borrower at the Funding Office prior to 1:00 p.m. (or, in the case of ABR Loans being made pursuant to a notice delivered on the proposed Borrowing Date, 3:00 p.m.), New York City time, on the Borrowing Date requested by the Borrower in funds immediately available to the Administrative Agent. Such borrowing will then be made

available to the Borrower by the Administrative Agent crediting the account designated in writing by the Borrower to the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by such Lenders and in like funds as received by the Administrative Agent. If no election as to the Type of a Loan is specified, then the requested Loan shall be an ABR Loan. If no Interest Period is specified with respect to any requested Eurocurrency Loan, the Borrower shall be deemed to have selected an Interest Period of one month's duration. Each Swingline Loan shall be made in accordance with the procedures set forth in **Section 2.6**.

17. Prior to the Amendment No. 7 Amendment Date, each Local Borrower may request a borrowing of Local Loans under the aggregate Tranche A Revolving Commitments in Dollars or in the relevant Permitted Foreign Currency from the applicable Local Fronting Lender during the Revolving Commitment Period with respect to the Tranche A Revolving Facility on any Business Day by submitting an irrevocable written notice to the relevant Local Fronting Lender (with a copy to the Administrative Agent), specifying

x. the aggregate principal amount of the relevant currency to be borrowed,

xi. the requested Borrowing Date,

xii. whether the Local Loans to be borrowed are to be (x) in the case of Local Loans denominated in Dollars, ABR Loans or Eurocurrency Loans or (y) in the case of Local Loans denominated in a Permitted Foreign Currency, Eurocurrency Loans or Local Rate Loans, or a combination thereof and, if a combination, the respective aggregate amount of each type of borrowing and

xiii. if the Local Loans to be borrowed are Eurocurrency Loans or (if it is customary in the relevant jurisdiction for Local Rate Loans to be subject to Interest Periods) Local Rate Loans, the length of the Interest Period or Interest Periods applicable thereto.

As of the Amendment No. 7 Amendment Date, there are no outstanding Local Loans.

Any such notice of borrowing must be received by the relevant Local Fronting Lender prior to 11:00 a.m., local time, three Business Days prior to the requested Borrowing Date (or such shorter period prior thereto as such Local Fronting Lender may agree) in the case of Eurocurrency Loans, and on the requested Borrowing Date, in the case of ABR Loans or Local Rate Loans (with the presentation by any third party of any check or draft drawn on the account of the relevant Local Borrower or any other borrowing by way of overdraft being deemed to constitute a notice of borrowing of Local Rate Loans in the amount of such check, draft or other borrowing, to the extent that insufficient funds are then available for the payment thereof in the account of such Local Borrower with the relevant Local Fronting Lender); ***provided***, ***further***, that the Administrative Agent may, at any time and from time to time in its sole discretion, suspend the right of the Local Borrowers with respect to any one or more Permitted Foreign Currencies to borrow ABR Loans or Local Rate Loans on the basis of same-day notice by providing written notice of such suspension to the Company and the affected Local Borrowing Subsidiaries (with a copy to the relevant Local Fronting Lender) not less than two Business Days prior to the effectiveness thereof (or, during such time as any Default or Event of Default has occurred and is continuing, on the date of such effectiveness), in which event any such notice of borrowing (other than any notice of borrowing deemed to be made on account of a check, draft or other customary means of borrowing by way of overdraft drawn by such Local Borrower prior to the date of such notice of suspension) of ABR Loans or Local Rate Loans must (until such notice of suspension has been revoked by the Administrative

Agent) be received by the Local Fronting Lender prior to 11:00 a.m., local time, one Business Day prior to the requested Borrowing Date. In the event that the relevant Local Fronting Lender determines on the requested Borrowing Date that the making of such requested Local Loan will not cause the Local Outstandings of such Local Fronting Lender to exceed the amount equal to its Currency Sublimit then in effect (in each case, as has been notified to such Local Fronting Lender by the Administrative Agent pursuant to **Section 2.30(b)**), such Local Fronting Lender will make the requested Local Loan available to the relevant Local Borrower, at the principal lending office of such Local Fronting Lender in the relevant jurisdiction, by 1:00 p.m., local time, on the requested Borrowing Date, in funds immediately available to such Local Borrower. Promptly following the making of each such Local Loan, such Local Fronting Lender shall provide notice to the Administrative Agent of the amount thereof. The minimum amount of each borrowing of Local Loans shall be in an aggregate principal amount (not to exceed the relevant Currency Sublimit) to be mutually agreed upon by the relevant Local Fronting Lender and the relevant Local Borrower. Notwithstanding anything to the contrary contained in this **Section 2.5**, no Local Fronting Lender shall be obligated hereunder to advance any Local Loan by way of an overdraft, but rather shall provide overdrafts only if it elects (in its sole discretion) to do so.

**fc. Swingline Loans.**

18. Subject to the terms and conditions set forth herein, the Swingline Lender, in reliance upon the agreements of the other Tranche A Revolving Lenders set forth in this **Section 2.6**, shall make Swingline Loans to the Borrower from time to time in Dollars during the Revolving Commitment Period with respect to the Tranche A Revolving Facility, in an aggregate principal amount at any time outstanding that will not result in

(i) the aggregate principal amount of outstanding Swingline Loans exceeding $25,000,000 or

(ii) the aggregate Tranche A Revolving Extensions of Credit exceeding the Tranche A Availability then in effect;

***provided***, that the Swingline Lender shall not be required to make a Swingline Loan (i) to refinance an outstanding Swingline Loan or (ii) if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by making such Swingline Loan may have, Fronting Exposure. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, repay and reborrow Swingline Loans. Each Swingline Loan shall be an ABR Loan.

19. To request a Swingline Loan, the Borrower shall notify the Administrative Agent and the Swingline Lender of such request by telephone (promptly confirmed by telecopy), not later than 1:00 p.m., New York City time, on the day of a proposed Swingline Loan. Each such notice shall be irrevocable and specify (y) the requested date (which shall be a Business Day) and amount of the requested Swingline Loan, and (z) proper wire instructions for the same. Promptly after receipt by the Swingline Lender of any telephonic Swingline Loan notice, the Swingline Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swingline Loan notice and, if not, the Swingline Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swingline Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Tranche A Revolving Lender) prior to 2:00 p.m. on the date of the proposed Swingline Loan (A) directing the Swingline Lender not to make such Swingline Loan as a result of the limitations set forth in **Section**

**2.6(a)**, or (B) that one or more of the applicable conditions specified in **Section 5.2** is not then satisfied, then, subject to the terms and conditions hereof, the Swingline Lender shall make each Swingline Loan available to the Borrower at its office by crediting the account of the Borrower on the books of the Swingline Lender in immediately available funds by 3:00 p.m., New York City time, on the requested date of such Swingline Loan. Swingline Loans shall be made in an amount equal to $100,000 or a whole multiple of $100,000 in excess thereof.

20. The Borrower shall have the right at any time and from time to time to repay, without premium or penalty, any Swingline Loan, in whole or in part, upon giving written or telecopy notice (or telephone notice promptly confirmed by written or telecopy notice) to the Swingline Lender and to the Administrative Agent before 3:00 p.m., New York City time on the date of repayment at the Swingline Lender's address for notices specified in the Swingline Lender's administrative questionnaire. All principal payments of Swingline Loans shall be accompanied by accrued interest on the principal amount being repaid to the date of payment.

21. The Swingline Lender may and, at any time there shall be Swingline Loan outstanding for more than seven days, the Swingline Lender shall by written notice given to the Administrative Agent not later than 3:00 p.m., New York City time, on any Business Day require the Tranche A Revolving Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which Tranche A Revolving Lenders will participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Tranche A Revolving Lender, specifying in such notice such Lender's Tranche A Revolving Percentage of such Swingline Loan or Loans. Each Tranche A Revolving Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Revolving Lender's Tranche A Revolving Percentage of such Swingline Loan or Loans. Each Tranche A Revolving Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Tranche A Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever (***provided***, that such payment shall not cause such Tranche A Revolving Lender's Tranche A Revolving Extensions of Credit to exceed such Tranche A Revolving Lender's Tranche A Revolving Commitment). Each Tranche A Revolving Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in **Section 3.4** with respect to Loans made by such Lender (and **Section 3.4** shall apply, *mutatis mutandis*, to the payment obligations of the Tranche A Revolving Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Tranche A Revolving Lenders. The Administrative Agent shall notify the Borrower of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrower (or other party on behalf of the Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Tranche A Revolving Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrower of any default in the payment thereof.

22. If the Revolving Termination Date applicable to a Tranche shall have occurred at a time when other Tranches will remain outstanding, then on such Revolving Termination Date all then outstanding Swingline Loans with respect to such maturing Tranche shall be repaid in full on such date (and there shall be no adjustment to the participations in such Swingline Loans as a result of the occurrence of such Revolving Termination Date); ***provided***, that, if on the occurrence of such Revolving Termination Date (after giving effect to any repayments of Revolving Loans and any reallocation as contemplated in **Section 3.4(d)**), (i) there shall exist sufficient unutilized Tranche A Revolving Commitments that will remain outstanding after the date thereof and (ii) the conditions set forth in **Sections 5.2(a)** and **5.2(b)** shall be satisfied at such time so that the respective outstanding Swingline Loans could be incurred pursuant to such Tranche A Revolving Commitments which will remain in effect after the occurrence of such Revolving Termination Date, then there shall be an automatic adjustment on such date of the participations in such Swingline Loans and the same shall be deemed to have been incurred solely pursuant to such Tranche A Revolving Commitments and such Swingline Loans shall not be so required to be repaid in full on such Revolving Termination Date.

23. Notwithstanding anything to the contrary contained in this Agreement, in the event a Tranche A Revolving Lender becomes a Defaulting Lender, then such Defaulting Lender's Tranche A Revolving Percentage in all outstanding Swingline Loans will automatically be reallocated among the Tranche A Revolving Lenders that are Non-Defaulting Lenders pro rata in accordance with each Non-Defaulting Lender's Tranche A Revolving Percentage (calculated without regard to the Revolving Commitment of the Defaulting Lender), but only to the extent that such reallocation does not cause the Tranche A Revolving Extensions of Credit of any Non-Defaulting Lender to exceed the Tranche A Revolving Commitment of such Non-Defaulting Lender. If such reallocation cannot, or can only partially, be effected, the Borrower shall, within five Business Days after written notice from the Administrative Agent or such longer period as the Administrative Agent shall agree, pay to the Administrative Agent an amount of cash equal to such Defaulting Lender's Tranche A Revolving Percentage (calculated as in effect immediately prior to it becoming a Defaulting Lender) of the outstanding Swingline Loans (after giving effect to any partial reallocation pursuant to the first sentence of this **Section 2.6(f)**) to be applied to the repayment of such Swingline Loans. So long as there is a Defaulting Lender, the Swingline Lender shall not be required to lend any Swingline Loans if the sum of, without duplication, the Non-Defaulting Lenders' Tranche A Revolving Percentages of the outstanding Tranche A Revolving Loans, L/C Obligations, Local Loans and Acceptances, and their participations in Swingline Loans after giving effect to any such requested Swingline Loans would exceed the aggregate Tranche A Revolving Commitments of the Non-Defaulting Lenders (such excess, "***Fronting Exposure***").

**fd. Defaulting Lenders.**

24. **Defaulting Lender Cure**. If the Borrower, the Administrative Agent, each Issuing Lender 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), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit, Swingline Loans, and Local Loans or Acceptances, if applicable, to be held pro rata by the Lenders in accordance with the Commitments under the applicable Facility (without giving effect to **Section 3.4(d)**), 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.

25. **Defaulting Lender Waterfall**. Any payment of principal, interest or other amounts (other than the payment of (i) commitment fees under **Section 2.9**, (ii) default interest under **Section 2.15(c)** and (iii) Letter of Credit fees under **Section 3.3**, which in each case shall be applied pursuant to the provisions of those Sections) received by the Administrative Agent for the account of any Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to **Section 8** or otherwise) shall be applied by the Administrative Agent as follows: ***first***, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent pursuant to **Section 9.7**; ***second***, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender (without duplication of the application of any cash collateral provided by the Borrower pursuant to **Section 3.4(d)**) to any Issuing Lender, Local Fronting Lender or Swingline Lender hereunder; ***third***, to be held as security for any L/C Shortfall (without duplication of any cash collateral provided by the Borrower pursuant to **Section 3.4(d)**) in a Cash Collateral Account; ***fourth***, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement; ***fifth***, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; ***sixth***, to the payment of any amounts owing to the Lenders, the Issuing Lenders or the Swingline Lender as a result of any final non-appealable judgment of a court of competent jurisdiction obtained by any Lender, the Issuing Lenders or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; ***seventh***, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any final non-appealable 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 (x) such payment is a payment of the principal amount of any Loans, L/C Disbursements or Acceptances in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued or the related Acceptances were created at a time when the conditions set forth in **Section 5.2** were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Disbursements and the participation interests in Acceptances owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Disbursements and amounts in respect of participation interests in Acceptances owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Acceptances are held by the Lenders pro rata in accordance with the Commitments under the applicable Facility without giving effect to **Section 3.4(d)**. 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 be held as security in a Cash Collateral Account pursuant to this **Section 2.7(b)** shall be deemed paid to and redirected by such Defaulting Lender and shall satisfy the Borrower's payment obligation in respect thereof in full, and each Lender irrevocably consents hereto.

**fe. Repayment of Loans.**

26. The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of the appropriate Revolving Lender or Swingline Lender, as the case may be, (i) the then unpaid principal amount of each Revolving Loan of such Revolving Lender made to the Borrower outstanding on the applicable Revolving Termination Date (or on such earlier date on which the Loans

become due and payable pursuant to **Section 8.1**), and (ii) subject to **Section 2.6(e)**, the then unpaid principal amount of each Swingline Loan on the earlier of (A) the applicable Revolving Termination Date (or on such earlier date on which the Loans become due and payable pursuant to **Section 8.1**) and (B) the first date after such Swingline Loan is made that is the 15th or last day of a calendar month and is at least three Business Days after such Swingline Loan is made; ***provided***, that on each date that a Revolving Loan is borrowed, the Borrower shall repay all Swingline Loans that were outstanding on the date such borrowing was requested. The Borrower hereby further agrees to pay interest on the unpaid principal amount of the Loans and Swingline Loans made to the Borrower from time to time outstanding from the date made until payment in full thereof at the rates per annum, and on the dates, set forth in **Section 2.15**. The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of the appropriate SISO Term Lenders, as the case may be, the then unpaid principal amount of each SISO Term Loan made to the Borrower outstanding on the Revolving Termination Date in respect of the SISO Term Facility (or on such earlier date on which the Loans become due and payable pursuant to **Section 8.1**). The Borrower hereby unconditionally promises to pay to the Tranche B Administrative Agent for the account of the appropriate Tranche B Term Lenders, as the case may be, the then unpaid principal amount of each Tranche B Term Loan made to the Borrower outstanding on the Revolving Termination Date in respect of the Tranche B Term Facility (or on such earlier date on which the Loans become due and payable pursuant to **Section 8.1**).

Each Local Borrower hereby unconditionally promises to pay, in lawful money of the Permitted Foreign Currency or Dollars, as applicable, and in immediately available funds, to the applicable Local Fronting Lender at the office of such Local Fronting Lender listed on **Schedule 2.4(b)** (or if such Local Fronting Lender has notified such Local Borrower that a Local Loan was funded by a different lending office of such Local Fronting Lender pursuant to **Section 2.04(b)**, the lending office from which such Local Loan was funded) for its own account the then unpaid principal amount of each Local Loan of such Local Fronting Lender made to such Local Borrower outstanding on the Revolving Termination Date with respect to the Tranche A Revolving Facility (or on such earlier date on which the Loans become due and payable pursuant to **Section 8.1**).

27. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the Borrowers to such Lender resulting from each Loan of such Lender from time to time, including the amounts of principal and interest (based on the applicable interest rate and Interest Period) payable and paid to such Lender from time to time under this Agreement. Each Local Borrowing Subsidiary hereby agrees that each Local Fronting Lender is authorized to record (i) the date, amount and currency of each Local Loan made by such Local Fronting Lender to such Local Borrowing Subsidiary pursuant to **Section 2.4(b)**, (ii) the date of each interest rate conversion pursuant to **Section 2.13** which is applicable to such Local Loan and the principal amount subject thereto, (iii) the date and amount of each payment or prepayment of principal of and interest with respect to each Local Loan made by such Local Borrowing Subsidiary to such Local Fronting Lender and (iv) the interest rate and Interest Period, in the books and records of such Local Fronting Lender and in such manner as is reasonable and customary for it and a certificate of an officer of such Local Fronting Lender, setting forth in reasonable detail the information so recorded, shall constitute prima facie evidence of the accuracy of the information so recorded in the absence of manifest error; ***provided***, ***however***, that the failure to make any such recording or any error in such recording shall not in any way affect the Obligations of the relevant Local Borrowing Subsidiary hereunder.

28. **Registers**

xiv. The Primary Administrative Agent, on behalf of each Borrower, shall maintain a Register pursuant to **Section 10.6(b)(iv)**, and a subaccount therein for each Revolving Lender, Local Fronting Lender or SISO Term Lender, in which shall be recorded (i) the amount of each Loan made hereunder and any Note evidencing such Loan, the Type of such Loan and each Interest Period applicable thereto, (ii) the amount of any principal, interest and fees, as applicable, due and payable or to become due and payable from such Borrower to each Lender hereunder and (iii) the amount of any sum received by the Primary Administrative Agent or Local Fronting Lender, as applicable, hereunder from such Borrower and each Lender's share thereof. For the avoidance of doubt, in the event of any conflict between the Register and the records maintained by any Local Fronting Lender pursuant to **Section 2.8(b)** or by any Revolving Lender or any SISO Term Lender, the Register shall control.

xv. The Tranche B Administrative Agent, on behalf of the Borrower, shall maintain a Register pursuant to **Section 10.6(b)(iv)**, and a subaccount therein for each Tranche B Term Lender, in which shall be recorded (i) the amount of each Loan made hereunder and any Note evidencing such Loan, the Type of such Loan and each Interest Period applicable thereto, (ii) the amount of any principal, interest and fees, as applicable, due and payable or to become due and payable from such Borrower to each Lender hereunder and (iii) the amount of any sum received by the Tranche B Administrative Agent, as applicable, hereunder from such Borrower and each Lender's share thereof. For the avoidance of doubt, in the event of any conflict between the Tranche B Register and the record maintained by any Tranche B Term Lender pursuant to **Section 2.8(b)**, the Tranche B Register shall control.

29. The entries made in the Register and the accounts of each Lender maintained pursuant to **Section 2.8(c)** shall, to the extent permitted by applicable law, be presumptively correct absent demonstrable error of the existence and amounts of the obligations of the Borrower therein recorded; ***provided***, ***however***, that the failure of the Administrative Agent or any Lender to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of each Borrower to repay (with applicable interest) the Loans made to such Borrower by such Lender in accordance with the terms of this Agreement.

30. The Company hereby irrevocably waives the right to direct the application of all funds in any Approved Deposit Account and agrees that the Administrative Agent may (in its sole discretion exercised reasonably) and, upon the written direction of the Required Lenders given at any time, shall exercise its applicable rights under any Deposit Account Control Agreement (including providing any notices of blockage or control) for each Approved Deposit Account and apply all available funds in any Approved Deposit Account, but in each case without a permanent reduction of Revolving Commitments, on a daily basis as follows:

***first***, to repay the outstanding principal amount of any outstanding Protective Advances,

***second***, the Swingline Loans until such Swingline Loans have been repaid in full;

***third***, to repay the outstanding principal balance of the Tranche A Revolving Loans until such Tranche A Revolving Loans shall have been repaid in full and all amounts owing to any Tranche A Revolving Lender and the Administrative Agent in respect of the Tranche A Revolving Facility including the aggregate principal amount of all L/C Disbursements that have not yet been reimbursed at such time.

The Administrative Agent agrees to use its commercially reasonable efforts to apply such funds in accordance with this **Section 2.8(e)**, and the Company consents to such application. For the avoidance of doubt, funds used to reduce outstanding amounts may be reborrowed, subject to satisfaction of the conditions set forth in **Section 5.2**.

31. Without diminishing the control of the Administrative Agent over amounts from time to time paid to the Administrative Agent for the purpose of Cash Collateralization, the Administrative Agent shall from time to time (upon the request of the Company so long as no Default or Event of Default shall have occurred and be continuing) cause the prompt return to the Company of any such amounts which are in excess of the amount required to be deposited to effect such Cash Collateralization.

**ff. Commitment Fees, etc.**

32. **Commitment Fee**

xvi. The Borrower agrees to pay to the Administrative Agent for the account of each Tranche A Revolving Lender a commitment fee (the "***Tranche A Commitment Fee***"), in Dollars, for the period from and including the Closing Date to the last day of the Revolving Commitment Period with respect to the Tranche A Revolving Facility (or, if earlier, the termination of all Tranche A Revolving Commitments), computed at the Commitment Fee Rate on the actual daily amount of the Available Revolving Commitment (but solely with respect to such Tranche A Revolving Lender's Tranche A Revolving Commitment and Tranche A Revolving Extensions of Credit) (***provided***, that, for purposes of this calculation, the Swingline Exposure shall not constitute a Tranche A Revolving Extension of Credit) of such Tranche A Revolving Lender during the period for which payment is made, payable quarterly in arrears on the later of (x) each Fee Payment Date and (y) the date that is two Business Days after the Borrower's receipt from the Administrative Agent of documentation supporting the calculation of such commitment fee; ***provided***, that (A) any commitment fee accrued with respect to any of the Tranche A Revolving Commitments of a Defaulting Lender during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by the Borrower so long as such Lender shall be a Defaulting Lender except to the extent that such commitment fee shall otherwise have been due and payable by the Borrower prior to such time and (B) no commitment fee shall accrue on any of the Tranche A Revolving Commitments of a Defaulting Lender so long as such Lender shall be a Defaulting Lender.

xvii. [reserved].

33. The Borrower agrees to pay to the Administrative Agent the fees in the amounts and on the dates as set forth in any fee agreements with the Administrative Agent and to the Tranche B Administrative Agent the fees in the amounts and on the dates as may be agreed between the Tranche B Administrative Agent and the Borrower.

**fg. Termination or Reduction of Commitments.**

34. **Reduction of Commitments**

xviii. The Borrower shall have the right, upon not less than two Business Days' notice to the Administrative Agent, to terminate the L/C Commitments or the Swingline Commitments or, from time to time, to reduce the amount of the L/C Commitments or the Swingline Commitments.

xix.The Borrower shall have the right, upon not less than two Business Days' notice to the Administrative Agent, to terminate the Tranche A Revolving Commitments or, from time to time, to reduce the amount of the Tranche A Revolving Commitments; ***provided*** that (except as otherwise expressly provided herein) no such termination or reduction of Tranche A Revolving Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Tranche A Revolving Loans made on the effective date thereof, the total Tranche A Revolving Extensions of Credit would exceed the total Tranche A Revolving Commitments.

xx.The SISO Term Commitments existing on the Amendment No. 7 Effective Date shall automatically terminate upon the making of the SISO Term Loans on the Amendment No. 7 Amendment Date.

xxi.Except with respect to terminations or reductions of Tranche A Revolving Commitments which shall be subject to **clause (ii)** above, the Borrower shall have the right, upon not less than two Business Days' notice to the Administrative Agent, to terminate the Revolving Commitments of any Tranche or, from time to time, to reduce the amount of the Revolving Commitments of any Tranche; ***provided***, that no such termination or reduction of Revolving Commitments of any Tranche shall be permitted if, after giving effect thereto and to any prepayments of the Revolving Loans made on the effective date thereof, the total Revolving Extensions of Credit of such Tranche would exceed the total Revolving Commitments of such Tranche.

Any such partial reduction shall be in an amount equal to $500,000, or a whole multiple of $100,000 in excess thereof, and shall reduce permanently the Revolving Commitments of the applicable Tranche then in effect. Notwithstanding anything to the contrary contained in this Agreement, the Borrower may rescind any notice of termination or reduction under this **Section 2.10** if the notice of such termination or reduction stated that such notice was conditioned upon the occurrence or non-occurrence of a transaction or the receipt of a replacement of all, or a portion, of the Revolving Commitments outstanding at such time, in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified date) if such condition is not satisfied.

35. Upon the incurrence by the Borrower or any of its Restricted Subsidiaries of any Permitted Revolving Refinancing Obligations in respect of Revolving Commitments or Revolving Loans, the Revolving Commitments designated by the Borrower to be terminated in connection therewith shall be automatically permanently reduced by an amount equal to 100% of the aggregate principal amount of commitments under such Permitted Revolving Refinancing Obligations and any outstanding Revolving Loans in respect of such terminated Revolving Commitments shall be repaid in full.

**fh. Optional Prepayments.**

36. The Borrower may at any time and from time to time prepay any Tranche of Revolving Loans, the Swingline Loans or, after the Tranche A Revolving Discharge Date, SISO Term Loans, or after the Tranche A Discharge Date, Tranche B Term Loans, in whole or in part, without premium or penalty, upon irrevocable written notice delivered to the Administrative Agent no later than 12:00 Noon, New York City time,

(i) three Business Days prior thereto, in the case of Eurocurrency Loans that are Revolving Loans, SISO Term Loans or Tranche B Term Loans, and

(ii) on the date of prepayment, in the case of ABR Loans that are Revolving Loans, SISO Term Loans, Tranche B Term Loans or Swingline Loans, which notice shall specify (x) the

date and amount of prepayment, (y) whether the prepayment is of a Tranche of Revolving Loans, SISO Term Loans, Tranche B Term Loans or Swingline Loans and (z) whether the prepayment is of Eurocurrency Loans or ABR Loans; ***provided***, that if a Eurocurrency Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to **Section 2.21**.

Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein (***provided***, that any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any transaction or the receipt of proceeds to be used for such payment, in each case specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied), together with (except in the case of Revolving Loans that are ABR Loans) accrued interest to such date on the amount prepaid. Partial prepayments of Revolving Loans, SISO Term Loans, Tranche B Term Loans or Swingline Loans shall be in an aggregate principal amount of (i) $100,000 or a whole multiple of $100,000 in excess thereof (in the case of prepayments of ABR Loans) or (ii) the Borrowing Minimum or a whole multiple of the Borrowing Multiple in excess thereof (in the case of prepayments of Eurocurrency Loans), and in each case shall be subject to the provisions of **Section 2.18**.

37. The Company and each Local Borrowing Subsidiary may at any time and from time to time, prepay any Local Loans borrowed by it, or Acceptances created for its account which are then outstanding, in whole or in part, without premium or penalty, upon irrevocable written notice delivered to the relevant Local Fronting Lender (with a copy to the Administrative Agent) no later than (i) three Business Days, in the case of Eurocurrency Loans, and (ii) two Business Days' in the case of ABR Loans, Local Rate Loans or Acceptances, which notice shall specify (x) the date and amount of such prepayment, (y) whether the amounts prepaid are on account of Acceptances or Local Loans (and, if on account of Local Loans, whether such Local Loans to be prepaid are denominated in Dollars or in a Permitted Foreign Currency, as the case may be) or a combination thereof, and, if a combination thereof, the amount of prepayment allocable to each and (z) whether the prepayment is of Eurocurrency Loans, ABR Loans (in the case of any prepayment of any such Loans denominated in Dollars) or Local Rate Loans or a combination thereof, and, if of a combination thereof, the amount of prepayment allocable to each (and, with respect to such Eurocurrency Loans or, to the extent applicable, Local Rate Loans, each Interest Period tranche thereof); ***provided***, ***however***, that Local Loans borrowed by way of overdrafts may be repaid on same-day notice without regard to any minimum amount of repayment required by this **Section 2.11(b)**, with any deposit of funds (whether by clearance of a check, receipt of a wire transfer or otherwise) in the account of the relevant Local Borrowing Subsidiary maintained by the Local Fronting Lender with respect to such overdrafts being deemed to constitute such notice of prepayment. If any such notice is given, the relevant Local Borrower or the Company, as applicable, will make the prepayment specified therein, and such prepayment shall be due and payable on the date specified therein (***provided*** that any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any transaction or the receipt of proceeds to be used for such payment, in each case specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by the relevant Local Borrower or the Company, as applicable (by written notice to the relevant Local Fronting Lender (with a copy to the Administrative Agent) on or prior to the specified effective date) if such condition is not satisfied). Each partial prepayment of the Local Loans pursuant to this **Section 2.11(b)** shall be in such minimum amount as may be mutually agreed upon by the relevant Local Fronting Lender and the relevant Borrower and shall comply with **Section 2.14**; ***provided***, ***however***, that in no event shall

such minimum amount be greater than $500,000 or the Dollar Equivalent thereof in the relevant Permitted Foreign Currency.

38. Prepayments under this **Section 2.11** shall be applied,

***first***, to prepay any Protective Advances,

***second***, to prepay the Swingline Loans, the Tranche A Revolving Loans and the Local Loans, all other amounts owing to any Tranche A Revolving Lender and the Administrative Agent in respect of the Tranche A Revolving Facility including the aggregate principal amount of all L/C Disbursements that have not yet been reimbursed at such time,

***third***, after the Tranche A Revolving Discharge Date, to prepay the SISO Term Loans and all other amounts owing to any SISO Term Lender and the Administrative Agent in respect of the SISO Term Facility, and

***fourth***, after the Tranche A Discharge Date, to prepay the Tranche B Term Loans and all other amounts owing to any Tranche B Term Lender and the Administrative Agent in respect of the Tranche B Term Facility.

Notwithstanding anything to the contrary, (i) the SISO Term Loans may not be prepaid until the Tranche A Revolving Discharge Date has occurred and (ii) the Tranche B Term Loans may not be prepaid or repaid until the Tranche A Discharge Date has occurred.

**fi. Mandatory Prepayments.**

39. To the extent remaining after any prepayments therefrom pursuant to the terms of the Term Loan Agreement and any other Indebtedness intended to be secured by the Term Facility First Priority Collateral on a senior basis to the Liens securing the Obligations, and unless the Required Lenders shall otherwise agree, if any Indebtedness (excluding any Indebtedness permitted to be incurred in accordance with **Section 7.2**) shall be incurred by the Borrower or any Restricted Subsidiary, an amount equal to the lesser of (x) prior to the Tranche A Revolving Discharge Date, (i) 100% of the Net Cash Proceeds thereof and (ii) the outstanding principal amount of Revolving Loans then outstanding and (y) on and after the Tranche A Revolving Discharge Date, (i) 100% of the Net Cash Proceeds thereof and (ii) the outstanding amount of SISO Secured Obligations, shall, in each case, be applied not later than one Business Day after the date of receipt of such Net Cash Proceeds toward the prepayment of the Revolving Loans, Local Loans, or SISO Term Loans, as applicable, without, in the case of the Revolving Loans, a corresponding reduction in the Revolving Commitments, as directed by the Borrower in respect of Tranches thereof; ***provided***, that each Borrower shall be required to make prepayments pursuant to this **Section 2.12(a)** solely in respect of its Loans.

40. **Prepayments of Loans**

xxii.

d. If, on any date, the aggregate Tranche A Revolving Extensions of Credit exceed the Tranche A Availability at such time, the Borrower or each Local Borrowing Subsidiary (but solely in respect of its applicable Local Loans and Acceptances) shall promptly prepay (without a corresponding reduction in the Tranche A Revolving Commitments) the Tranche A Revolving Loans, the Swingline Loans, the Local Loans,

the Acceptances and/or the L/C Obligations, to the Administrative Agent or a Local Fronting Lender, in each case as applicable, and/or Cash Collateralize its obligations, in an aggregate principal amount equal to such excess.

e. On and after the Tranche A Revolving Discharge Date, if, on any date, the aggregate SISO Term Loans exceed the Tranche A Borrowing Base at such time, the Borrower shall promptly prepay the SISO Term Loans to the Administrative Agent in an aggregate principal amount equal to such excess.

xxiii.(A) Prior to the Tranche A Discharge Date, if, on any date, the aggregate Tranche B Term Loans exceed the Tranche B Borrowing Base at such time, a Push Down Reserve shall be immediately and automatically established in respect of the Tranche A Borrowing Base in an aggregate principal amount equal to such excess.

(B) On and after the Tranche A Discharge Date and subject to **Section 10.19**, if, on any date, the aggregate Tranche B Term Loans exceed the Tranche B Borrowing Base at such time, the Borrower shall promptly prepay the Tranche B Term Loans to the Tranche B Administrative Agent in an aggregate principal amount equal to such excess and provide written notice to the Tranche B Administrative Agent of such prepayment no later than three (3) Business Days prior to the prepayment.

xxiv.If, on any date on or after the Amendment No. 6 Effective Date, the aggregate amount of cash or Cash Equivalents of Holdings and its Subsidiaries ((x) other than Specified Excluded Cash and (y) based on closing balances on the immediately preceding Business Day) exceeds the Specified Cash Limit, the Borrower shall promptly (A) make payments (other than to Holdings and its Subsidiaries) not prohibited by this Agreement in an amount equal to such excess, or (B) repay (without a corresponding reduction in the Tranche A Revolving Commitments) the Tranche A Revolving Loans, the Swingline Loans, the Local Loans, the Acceptances and/or the L/C Obligations, to the Administrative Agent or a Local Fronting Lender, in each case as applicable, and/or Cash Collateralize its obligations, in an aggregate principal amount equal to the lesser of (i) such excess and (ii) the aggregate principal of any Tranche A Revolving Loans, Swingline Loans, Local Loans, Acceptances and/or L/C Obligations outstanding.

41. Unless the Required Lenders otherwise agree, if at any time and from time to time the sum (based on the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to **Section 6.2(g)**) of (i) the aggregate outstanding principal amount of Local Loans denominated in Dollars which are owing by the Local Borrowers to a Local Fronting Lender, (ii) the Dollar Equivalent of 105% of the aggregate outstanding principal amount of Local Loans denominated in the relevant Permitted Foreign Currency which are owing by the Local Borrowers to such Local Fronting Lender and (iii) the Dollar Equivalent of 105% of the aggregate undiscounted face amount of Acceptances in the relevant Permitted Foreign Currency which are owing by the relevant Local Borrowing Subsidiary to such Local Fronting Lender, exceeds the Currency Sublimit for such Local Fronting Lender, such Local Borrowers shall, within three Business Days, prepay the Local Loans and Acceptances owing by them to such Local Fronting Lender by the amount equal to such excess or, with respect to Acceptances, provide cash and/or Cash Equivalents to be held as security for obligations in respect of Acceptances in a manner reasonably acceptable to such Local Fronting Lender; ***provided***, such cash and/or Cash Equivalents so held as security shall not constitute Qualified Cash.

42. Prepayments under **Section 2.12(b)(i)(A)** shall be applied, ***first***, to prepay the Swingline Loans and ***second***, to repay the Tranche A Revolving Loans, the Local Loans, the Acceptances and the L/C Obligations (including the Cash Collateralization of Letters of Credit) as the Borrower and the Local Borrowing Subsidiaries so determine, subject to **clause (e)** below.

43. Prepayments of Local Loans and Acceptances pursuant to this **Section 2.12** shall be applied, ***first***, to the Local Loans of such Local Borrowers as the Borrower (on its own behalf and as agent of the Local Borrowing Subsidiaries) may elect and, ***second***, to the Acceptances; ***provided***, ***however***, that, during such time as an Event of Default has occurred and is continuing, such prepayment shall be applied to the Local Loans and (to the extent relevant) Acceptances of such Local Borrowers as the Administrative Agent may elect.

44. If the Borrower shall provide cash and/or Cash Equivalents as collateral in order to comply with this **Section 2.12**, such amount shall be returned to the Borrower within three Business Days after notice from the Borrower to the Administrative Agent and the Local Fronting Lender that such collateral is no longer necessary to so comply with this **Section 2.12** and requesting return of such collateral.

45. If any Borrower would incur costs pursuant to **Section 2.21** as a result of any payment due pursuant to this **Section 2.12**, such Borrower may deposit the amount of such payment with the Administrative Agent, for the benefit of the relevant Lenders, in an Approved Deposit Account, until the end of the applicable Interest Period at which time such payment shall be made; ***provided***, such cash and/or Cash Equivalents shall not constitute Qualified Cash. Each such Borrower hereby grants the Administrative Agent, for the benefit of such Lenders, a security interest (or if the applicable Borrower is a Local Borrowing Subsidiary organized under the laws of the Commonwealth of Australia or any political subdivision thereof, the Administrative Agent shall have a right to apply and setoff any such payment toward any amount payable by such Local Borrowing Subsidiary at the end of the applicable Interest Period) in all amounts in which such Borrower has any right, title or interest which are from time to time on deposit in such Cash Collateral Account and expressly waives all rights (which rights such Borrower hereby acknowledges and agrees are vested exclusively in the Administrative Agent) to exercise dominion or control over any such amounts.

**fj. Conversion and Continuation Options.**

46. The Borrower may elect from time to time to convert Eurocurrency Loans (other than Local Loans or Eurocurrency Loans denominated in a Permitted Foreign Currency) made to the Borrower to ABR Loans by giving the Administrative Agent prior irrevocable written notice of such election no later than 12:00 Noon, New York City time, on the Business Day (or in the case of the Tranche B Term Loans, one (1) Business Day) preceding the proposed conversion date; ***provided***, that if any such Eurocurrency Loan is so converted on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to **Section 2.21**. The Borrower may elect from time to time to convert ABR Loans (other than Local Loans) made to the Borrower to Eurocurrency Loans by giving the Administrative Agent prior irrevocable written notice of such election no later than 12:00 Noon, New York City time, on the third Business Day preceding the proposed conversion date (which notice shall specify the length of the initial Interest Period therefor); ***provided***, that no such ABR Loan under a particular Facility may be converted into a Eurocurrency Loan when any Event of Default has occurred and is continuing and the Administrative Agent or the Majority Facility Lenders in respect of such Facility have determined in its or their sole discretion not to permit such conversions. Upon receipt of any such notice the Administrative Agent shall promptly notify each

relevant Lender thereof. This **Section 2.13** shall not apply to Swingline Loans and Protective Advances, in each case, which may not be converted or continued.

47. Any Eurocurrency Loan (other than a Local Loan) may be continued as such by the Borrower giving irrevocable written notice to the Administrative Agent, in accordance with the applicable provisions of the term "Interest Period" set forth in **Section 1.1** and no later than 12:00 Noon, New York City time, on the third Business Day preceding the proposed continuation date, of the length of the next Interest Period to be applicable to such Loans; ***provided***, that if any such Eurocurrency Loan is so continued on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to **Section 2.21**; ***provided***, ***further***, that no such Eurocurrency Loan under a particular Facility may be continued as such when any Event of Default has occurred and is continuing and the Administrative Agent has or the Majority Facility Lenders in respect of such Facility have determined in its or their sole discretion not to permit such continuations; ***provided***, ***further***, that (i) if the Borrower shall fail to give any required notice as described above in this paragraph such Eurocurrency Loans shall be automatically continued as Eurocurrency Loans having an Interest Period of one month's duration on the last day of such then-expiring Interest Period and (ii) if such continuation is not permitted pursuant to the preceding proviso, such Eurocurrency Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period; ***provided***, ***further***, that if the Borrower wishes to request Eurocurrency Loans having an Interest Period other than one, two, three or six months in duration as provided in the definition of "Interest Period," the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. four Business Days prior to the requested date of such borrowing, conversion or continuation, whereupon the Administrative Agent shall give prompt notice to the appropriate Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. Not later than 11:00 a.m., three Business Days before the requested date of such borrowing, conversion or continuation, the Administrative Agent shall notify the Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

48. Each Borrower may elect from time to time to convert outstanding Local Loans from Eurocurrency Loans to ABR Loans (in the case of Local Loans which are in Dollars) by giving (or causing the Company to give) the relevant Local Fronting Lender (with a copy to the Administrative Agent) at least two Business Days' prior irrevocable notice of such election. Each Local Borrower may elect from time to time to convert outstanding Local Loans from Eurocurrency Loans to Local Rate Loans (in the case of Local Loans which are in a Permitted Foreign Currency) by giving (or causing the Company to give) the relevant Local Fronting Lender at least two Business Days' prior irrevocable notice of such election. Each Borrower may elect from time to time and at any time to convert outstanding Local Loans from ABR Loans to Eurocurrency Loans (in the case of Local Loans which are in Dollars) by giving (or causing the Company to give) the relevant Local Fronting Lender (with a copy to the Administrative Agent) at least three Business Days' irrevocable notice of such election; ***provided***, ***however***, that no ABR Loans may be converted to Eurocurrency Loans when any Event of Default has occurred and is continuing and the Administrative Agent or the Required Lenders so elect by notice to the Company. Each Local Borrower may elect from time to time and at any time to convert outstanding Local Rate Loans to Eurocurrency Loans (in the case of Local Loans which are in a Permitted Foreign Currency) by giving (or causing the Company to give) the relevant Local Fronting Lender (with a copy to the Administrative Agent) at least three Business Days' irrevocable notice of such election; ***provided***, ***further***, that no Local Rate Loans may be converted to Eurocurrency Loans when any Event of Default has occurred and is continuing and the Administrative Agent or the Required Lenders so elect by notice to the Company. On the date on which such conversion is being made, the relevant Local Fronting Lender

shall take such action as is necessary to effect such conversion. All or any part of the outstanding Local Loans may be converted as provided herein.

49. Any Local Loans which are Eurocurrency Loans or (to the extent applicable) Local Rate Loans may be continued as such upon the expiration of an Interest Period with respect thereto by giving the relevant Local Fronting Lender (with a copy to the Administrative Agent) at least three Business Days' irrevocable notice for continuation thereof; ***provided***, ***however***, that no such Eurocurrency Loan may be continued as such when any Event of Default has occurred and is continuing and the Administrative Agent or the Required Lenders so elect by notice to the Company and, instead, such Eurocurrency Loans denominated in Permitted Foreign Currencies shall be automatically converted to Local Rate Loans and Eurocurrency Loans denominated in Dollars shall be automatically converted to ABR Loans, in each case, on the last day of the Interest Period for such Eurocurrency Loans. The Administrative Agent shall notify the relevant Local Fronting Lenders promptly that such automatic conversion shall occur.

50. In the event that a timely notice of conversion or continuation with regard to Local Loans which are Eurocurrency Loans is not given in accordance with this **Section 2.13**, then, unless the relevant Local Fronting Lender shall have received timely notice from the relevant Borrower in accordance with **Section 2.11** that such Eurocurrency Loans are to be prepaid on the last day of such Interest Period, such Borrower shall be deemed irrevocably to have requested that such Eurocurrency Loans denominated in Permitted Foreign Currencies be converted into Local Rate Loans and Eurocurrency Loans denominated in Dollars be converted into ABR Loans, as the case may be, on the last day of such Interest Period. In the event that a timely notice of continuation with regard to Local Rate Loans which are subject to an Interest Period is not given in accordance with this **Section 2.13**, then, unless the relevant Local Fronting Lender shall have received timely notice from the relevant Borrower in accordance with **Section 2.11** that such Local Rate Loans are to be converted into Eurocurrency Loans or prepaid on the last day of such Interest Period, such Borrower shall be deemed irrevocably to have requested that such Local Rate Loans be continued as such on the last day of such Interest Period for a new Interest Period which is the shortest such Interest Period available to such Borrower from the relevant Local Fronting Lender.

51. Notwithstanding anything to the contrary, SISO Term Loans shall always constitute a single "borrowing" for purposes of determining whether such SISO Term Loans are Eurocurrency Loans or ABR Loans. There shall be no more than one Interest Period with respect to the SISO Term Loans at a time. Notwithstanding anything to the contrary, Tranche B Term Loans shall always constitute a single "borrowing" for purposes of determining whether such Tranche B Term Loans are Eurocurrency Loans or ABR Loans. If Tranche B Term Loans are Eurocurrency Loans, such Tranche B Term Loans shall always have the same Interest Period.

**fk. Minimum Amounts and Maximum Number of Eurocurrency Tranches**

. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions, continuations and optional prepayments of Eurocurrency Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that

(a) after giving effect thereto, the aggregate principal amount of the Eurocurrency Loans comprising each Eurocurrency Tranche shall be equal to the Borrowing Minimum or a whole multiple of the Borrowing Multiple in excess thereof; ***provided***, that the foregoing shall not apply to Local Loans, in respect of which aggregate principal amounts and minimum borrowing requirements shall be mutually agreed between the applicable Local Fronting Lender and applicable Borrower, and

(b) no more than (A) seventeen Eurocurrency Tranches of Revolving Loans, (B) two Interest Periods (or such other number of Interest Periods as may be mutually agreed upon by the relevant Local Fronting Lender and the relevant Borrowers) in respect of Local Loans which are Eurocurrency Loans and (if an Interest Period is applicable thereto) Local Rate Loans in each Permitted Foreign Currency, (C) one Eurocurrency Tranche of SISO Term Loans and (D) one Eurocurrency Tranche of Tranche B Term Loans shall be outstanding at any one time.

**fl. Interest Rates and Payment Dates.**

52. Each Eurocurrency Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Eurocurrency Rate determined for such day ***plus*** the Applicable Margin.

53. (i) Each ABR Loan and each Swingline Loan shall bear interest at a rate per annum equal to the ABR ***plus*** the Applicable Margin and (ii) each Local Rate Loan shall bear interest on the unpaid principal amount thereof at a rate per annum equal to the Local Rate applicable to the relevant Permitted Foreign Currency ***plus*** the Applicable Margin.

54. (i) If all or a portion of the principal amount of any Loan, Reimbursement Obligation, Local Loan or Acceptances shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to (x) in the case of the Loans, Local Loans or Acceptances, the rate that would otherwise be applicable thereto pursuant to the foregoing provisions of this **Section 2.15** ***plus*** 2.00% or (y) in the case of Reimbursement Obligations, the rate applicable to ABR Loans under the relevant Facility ***plus*** 2.00%, and (ii) if all or a portion of any interest payable on any Loan, Reimbursement Obligation, Local Loan or Acceptance or any commitment fee or other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum equal to the rate then applicable to ABR Loans if denominated in Dollars under the relevant Facility or if denominated in a Permitted Foreign Currency, the rate then applicable to Local Rate Loans, in each case, ***plus*** 2.00% (or, in the case of any such other amounts that do not relate to a particular Facility, the rate then applicable to ABR Loans if denominated in Dollars or the rate applicable to Local Rate Loans for the applicable Permitted Foreign Currency, in each case, under the relevant Facility ***plus*** 2.00%), in each case, with respect to **clauses (i)** and **(ii)** above, from the date of such nonpayment until such amount is paid in full (after as well as before judgment); ***provided***, that no amount shall be payable pursuant to this **Section 2.15(c)** to a Defaulting Lender so long as such Lender shall be a Defaulting Lender; ***provided***, ***further***, that no amounts shall accrue pursuant to this **Section 2.15(c)** on any overdue Loan, Reimbursement Obligation, Local Loan, Acceptance, commitment fee or other amount payable to a Defaulting Lender so long as such Lender shall be a Defaulting Lender.

55. Interest shall be payable by the Borrower in arrears on each Interest Payment Date; ***provided***, that interest accruing pursuant to **paragraph (c)** of this **Section 2.15** shall be payable from time to time on demand. Interest on each Local Loan shall be payable in arrears to the relevant Local Fronting Lender in the applicable Permitted Foreign Currency (or, with respect to Local Loans which are denominated in Dollars, in Dollars).

56. On each Interest Payment Date (including, without limitation, each Interest Payment Date with respect to Acceptances), the Local Fronting Lender shall deliver to the Administrative Agent, the Company and the relevant Local Borrowing Subsidiary an Interest Allocation Statement, substantially in

the form of **Exhibit O-2**, and the Company and the relevant Local Borrowing Subsidiary shall (in the absence of manifest error) pay the amount specified therein on such Interest Payment Date.

57. As promptly as is practicable following each date upon which a Local Fronting Lender receives a payment of interest under this Agreement on account of Local Loans and/or Acceptances, such Local Fronting Lender shall convert into Dollars (at the exchange rate then applicable to it) the amount equal to (i) the portion of such payment which constitutes the Applicable Margin thereon (or, with respect to each Tranche A Revolving Lender which funded the purchase of a participating interest in such Local Loan or Acceptance pursuant to **Section 2.32(a)**, as the case may be, such Tranche A Revolving Lender's Tranche A Revolving Percentage of the full amount of such interest payment) ***minus*** (ii) 1/4 of 1% per annum on the aggregate undiscounted face amount of the extensions of credit on account of which such interest payment was made (which unconverted amount shall be retained by such Local Fronting Lender for its own account). In consideration of the agreement of the Tranche A Revolving Lenders to purchase participating interests in the Local Loans and Acceptances, each Local Fronting Lender hereby agrees to pay to the Administrative Agent, for the ratable account of each Tranche A Revolving Lender, a risk participation fee in the amount equal to the proceeds received by such Local Fronting Lender from such conversion (other than any such proceeds payable for the account of a Defaulting Lender, which proceeds shall be retained by such Local Fronting Lender for its own account) or, if no such conversion is required, the amount which would have been converted if such interest had been paid in a Permitted Foreign Currency; ***provided***, ***however***, that, in the event that the Tranche A Revolving Lenders have funded the purchase of participating interests in the extensions of credit on account of which such interest payment was made pursuant to **Section 2.32(a)**, such Local Fronting Lender shall instead pay to the Administrative Agent, for the account of each Tranche A Revolving Lender which has so funded such purchase, the amount equal to such Tranche A Revolving Lender's Tranche A Revolving Percentage of the proceeds received by such Local Fronting Lender from such conversion. Such amount shall be payable to the Administrative Agent in Dollars on the date upon which such Local Fronting Lender receives the proceeds of such conversion. For purposes of this **Section 2.15(f)**, interest shall be deemed to have been received by the Local Fronting Lender on account of an Acceptance on the last day of the calendar month in which such Acceptance matures.

58. On each date upon which any Local Borrower pays interest to a Local Fronting Lender hereunder on account of any Local Loan and on each date upon which any Acceptance is created by a Local Fronting Lender for the account of a Local Borrower hereunder, such Local Borrower shall pay to such Local Fronting Lender (for its own account) a local administrative fee in the amount equal to ¼ of 1.0% per annum on the aggregate principal amount of the Local Loans with respect to which such interest is being paid or on the aggregate undiscounted face amount of such Acceptance, as the case may be.

59. From the 2021 Notes Exchange Effective Date until such Tranche B Right is exercised and a Tranche B Term Loan is issued in respect of such Tranche B Right, each unexercised Tranche B Right shall bear interest at the same rate as any then-outstanding Tranche B Term Loans on the aggregate principal amount of Tranche B Term Loans such Tranche B Right would be entitled to receive upon exercise of such Tranche B Right (it being understood that if no Tranche B Term Loans are issued on the 2021 Notes Exchange Effective Date, all unexercised Tranche B Rights shall bear interest based upon a Eurocurrency Loan with a three month Interest Period starting on the 2021 Notes Exchange Effective Date). Such interest shall be payable to the Tranche B Administrative Agent upon each Interest Payment Date both in respect of any then-outstanding Tranche B Term Loans as well as any Tranche B Right. Interest on any Tranche B Term Loan shall be disbursed to Tranche B Lenders in accordance with this Agreement. However, the Tranche B Administrative Agent shall retain amounts in respect of Tranche B Right until first Interest Payment Date after the applicable Tranche B Rights are exercised and, upon such

Interest Payment Date, the Tranche B Administrative Agent shall pay such amounts to the Tranche B Term Lender of record in respect of the applicable Tranche B Term Loans. If a Tranche B Right is not exercised prior to the repayment in full in cash of the Tranche B Term Facility, the Tranche B Administrative Agent shall pay all such amounts to the Borrower and the Borrower shall pay such amounts to the applicable Tranche B Right Holder. In furtherance of the foregoing, all Tranche B Term Loans shall always constitute a single "borrowing" for purposes of determining interest and, if the Tranche B Term Loans are Eurocurrency Loans, shall always maintain the same Interest Period.

**fm. Computation of Interest and Fees.**

60. Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that interest on ABR Loans (except for ABR computations in respect of **clauses (b)** and **(c)** of the definition thereof), Local Rate Loans and Acceptances shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed (or in the case of Local Rate Loans and Acceptances, on such other basis as may be agreed from time to time by the relevant Local Fronting Lender and the relevant Local Borrower to reflect customary practices in the relevant jurisdiction). The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of a Eurocurrency Rate. The Local Fronting Lender shall as soon as practicable notify the relevant Local Borrower of each determination of Local Rate. Any change in the interest rate on a Loan resulting from a change in the ABR or the Eurocurrency Reserve Requirements shall become effective as of the opening of business on the day on which such change becomes effective. Any change in the interest rate on a Loan resulting from a change in the Local Rate or with respect to Local Loans that are ABR Loans, resulting from a change in ABR, shall become effective as of the opening of business in the jurisdiction of the local lending office of the relevant Local Fronting Lender on the day on which such change shall become effective. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.

61. Each determination of an interest rate by the Administrative Agent or a Local Fronting Lender pursuant to any provision of this Agreement shall be presumptively correct in the absence of demonstrable error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to **Section 2.15(a)** and **Section 2.15(b)(i)**. The applicable Local Fronting Lender shall, at the request of the relevant Local Borrower, deliver to the Local Borrower a statement showing the quotation used by the Local Fronting Lender in determining any interest rate pursuant to **Section 2.15(b)(ii)**.

**fn. Benchmark Replacement Setting; Inability to Determine Interest Rate**

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62. **Benchmark Replacement Setting**

xxv.Benchmark Replacement. Solely with respect to the Tranche A Revolving Facility and the SISO Term Facility, notwithstanding anything to the contrary herein or in any other Loan Document, if any event described in **clause (b)(i)** or **(b)(ii)** of this **Section 2.17** has occurred, or if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred for a currency prior to the Reference Time in respect of any setting of a then-current Benchmark for such currency under the Tranche A

Revolving Facility or the SISO Term Facility, then (x) if a Benchmark Replacement is determined in accordance with **clause (a)(1)** or **(a)(2)** of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with **clause (a)(3)** or **(b)** of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any such Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders of each Tranche.

If (i) a Benchmark Replacement Date has occurred for LIBOR with respect to Dollars and the applicable Benchmark Replacement on such Benchmark Replacement Date for LIBOR with respect to Dollars is a Benchmark Replacement other than the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment, (ii) subsequently, the Relevant Governmental Body recommends for use a forward-looking term rate based on SOFR for loans denominated in Dollars and the Borrower requests that the Administrative Agent review the administrative feasibility of such recommended forward-looking term rate for purposes of this Agreement and (iii) following such request from the Borrower, the Administrative Agent determines (in its sole discretion) that such forward looking term rate is administratively feasible for the Administrative Agent, then the Administrative Agent may (in its sole discretion) provide the Borrower and Lenders with written notice that from and after a date identified in such notice: (i) a Benchmark Replacement Date shall be deemed to have occurred, the Benchmark Replacement on such Benchmark Replacement Date shall be deemed to be a Benchmark Replacement determined in accordance with **clause (a)(1)** of the definition of "Benchmark Replacement" under this **Section 2.17(a)**; ***provided***, however, that if upon such Benchmark Replacement Date the Benchmark Replacement Adjustment is unable to be determined in accordance with **clause (a)(1)** of the definition of "Benchmark Replacement" and the corresponding definition of "Benchmark Replacement Adjustment", then the Benchmark Replacement Adjustment in effect immediately prior to such new Benchmark Replacement Date shall be utilized for purposes of this Benchmark Replacement (for avoidance of doubt, for purposes of this proviso, such Benchmark Replacement Adjustment shall be the Benchmark Replacement Adjustment which was established in accordance with the definition of "Benchmark Replacement Adjustment" on the date determined in accordance with **clauses (1)** or **(2)**, as applicable, of the definition of "Benchmark Replacement Date" hereunder) and (ii) such forward looking term rate shall be deemed to be the forward looking term rate referenced in the definition of "Term SOFR" for all purposes hereunder or under any Loan Document in respect of any Benchmark setting and any subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document. For the avoidance of doubt, if the circumstances described in the immediately preceding sentence shall occur, all applicable provisions set forth in this **Section 2.17(a)** shall apply with respect to such election of the Administrative Agent as completely as if such forward-looking term rate was initially determined in accordance with **clause (1)** of the definition of "Benchmark Replacement", including, without limitation, the

provisions set forth in **clauses (ii)** and **(vi)** of this Section titled "Benchmark Replacement Setting."

xxvi.Benchmark Replacement Conforming Changes. In connection with the implementation of any Benchmark Replacement, the Administrative Agent will have the right, in consultation with the Borrower, to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

xxvii.Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the applicable Lenders of (w) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable and its related Benchmark Replacement Date, (x) the effectiveness of any Benchmark Replacement Conforming Changes, (y) the removal or reinstatement of any tenor of a Benchmark pursuant to **clause (iv)** below and (z) the commencement of any Benchmark Unavailability Period. For the avoidance of doubt, any notice required to be delivered by the Administrative Agent as set forth in this **Section 2.17(a)** may be provided, at the option of the Administrative Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this **Section 2.17(a)**, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this **Section 2.17(a)**.

xxviii.Unavailability of Tenor of Benchmark. Solely with respect to the Tranche A Revolving Facility and the SISO Term Facility, notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (x) if the then-current Benchmark is a term rate (including Term SOFR or LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (y) if a tenor that was removed pursuant to clause (x) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

xxix.Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Benchmark for Dollars

for any Loans under the Tranche A Revolving Facility or the SISO Term Facility, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Eurocurrency Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, to the extent a component of ABR is based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, such Benchmark or tenor will not be used in any determination of ABR. Upon the commencement of a Benchmark Unavailability Period with respect to a Benchmark for any currency other than Dollars, the obligation of the Lenders to make or maintain Loans referencing such Benchmark in the affected currency shall be suspended (to the extent of the affected borrowings or Interest Periods).

xxx.Disclaimer. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (w) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "Eurocurrency Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (x) the composition or characteristics of any such Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to LIBOR or any other then-current Benchmark or have the same volume or liquidity as did LIBOR or any other then-current Benchmark, (y) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this **Section 2.17(a)** including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by **clause (iii)** above or otherwise in accordance herewith, and (z) the effect of any of the foregoing provisions of this **Section 2.17(a)**.

63. If prior to the first day of any Interest Period for any Eurocurrency Loan under the Tranche B Term Facility:

xxxi.the Administrative Agent or the relevant Local Fronting Lender shall have determined (which determination shall be presumptively correct absent demonstrable error) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Eurocurrency Rate for such Interest Period, or

xxxii.the Administrative Agent shall have received notice from the Majority Facility Lenders in respect of the Tranche B Term Facility or, with respect to Local Loans, the applicable Local Fronting Lender, that by reason of any changes arising after the Closing Date, the Eurocurrency Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as certified by such Lenders) of making or maintaining their affected Loans during such Interest Period,

then, the Administrative Agent or the relevant Local Fronting Lender (as the case may be) shall give telecopy notice thereof to the Borrower and the relevant Lenders as soon as practicable thereafter. If such notice is given

(1) the Eurocurrency Rate applicable to any Eurocurrency Loans under the Tranche B Term Facility (or the Local Loans, as the case may be) for such Interest Periods shall be

(A) a comparable successor or alternative interbank rate for deposits in the corresponding currency in lieu of the Eurocurrency Rate that is

(x) reasonably acceptable to the Borrower and the Administrative Agent,

(y) no less favorable to the Borrower than such successor or alternative interbank rates used under other credit facilities of similarly situated borrowers in respect of which the Administrative Agent acts in a substantively similar capacity to its capacity hereunder and

(z) posted electronically on the Platform to the Required Tranche B Lenders (***provided***, that if the Required Tranche B Lenders have objected in writing to such posted rate within five Business Days following such posting, such posted rate shall cease to apply), or

(B) solely if no such comparable successor or alternative interbank rate exists at such time or if Required Tranche B Lenders have objected to a posted rate under **clause (A)** above, a successor or alternative index rate as the Administrative Agent and the Borrower may determine with the consent of Required Tranche B Lenders (not to be unreasonably withheld or delayed), which shall be no less favorable to the Borrower than such successor or alternative interbank rates used under other credit facilities of similarly situated borrowers in respect of which the Administrative Agent acts in a substantively similar capacity to its capacity hereunder and

(2) until the adoption of a successor or alternative index rate in accordance with Section 2.17(b)(1) above,

(x) any Eurocurrency Loans under the Tranche B Term Facility (or the Local Loans, as the case may be) requested to be made on the first day of such Interest Period shall be made as ABR Loans, unless such request for Eurocurrency Loans shall be rescinded by the Borrower or the applicable Local Borrowing Subsidiary, promptly after receipt of such notice from the Administrative Agent,

(y) any Loans under the Tranche B Term Facility (or the Local Loans, as the case may be) that were to have been converted on the first day of such Interest Period to Eurocurrency Loans shall be continued as ABR Loans and

(z) any outstanding Eurocurrency Loans under the Tranche B Term Facility (or the Local Loans, as the case may be) shall be converted, on the last day of the then-current Interest Period with respect thereto, to ABR Loans.

Until such notice has been withdrawn by the Administrative Agent (which action the Administrative Agent will take promptly after the conditions giving rise to such notice no longer exist) or the adoption of a successor or alternative index rate pursuant to Section 2.17(b)(1) above, no further Eurocurrency Loans under the Tranche B Term Facility (or the Local Loans, as the case may be) shall be made or continued as such, nor shall the Borrower have the right to convert Loans under the Tranche B Term Facility (or the Local Loans, as the case may be) to Eurocurrency Loans. For the avoidance of doubt, the Company's or the applicable Local Borrowing Subsidiary's rescission of a request for Eurocurrency Loans shall be

subject to **Section 2.21**. Notwithstanding the foregoing, in no event shall the successor or alternative index rate be less than 1.75%.

**fo. Pro Rata Treatment and Payments**

64. **Borrowings, Commitment Fees and Reduction of Commitments**

xxxiii.Except as expressly otherwise provided herein (including as expressly provided in **Sections 2.4**, **2.7**, **2.9**, **2.10(b)**, **2.12**, **2.15(c)**, **2.19**, **2.20**, **2.21**, **2.22**, **2.24**, **2.26**, **10.5**, **10.6** and **10.7**), each borrowing by the Borrower from the Tranche A Revolving Lenders hereunder, each payment by the Borrower on account of the Tranche A Commitment Fee and any reduction of the Tranche A Revolving Commitments shall be made **pro rata** according to the Tranche A Revolving Percentages of the relevant Tranche A Revolving Lenders other than reductions of Tranche A Revolving Commitments pursuant to **Section 2.24**.

xxxiv.[reserved].

xxxv.With respect to each Tranche (excluding Tranche A Revolving Commitments, Tranche A Revolving Loans, SISO Term Commitments, SISO Term Loans, Tranche B Term Commitments and Tranche B Term Loans), except as expressly otherwise provided herein (including as expressly provided in **Sections 2.4**, **2.7**, **2.9**, **2.10(b)**, **2.12**, **2.15(c)**, **2.19**, **2.20**, **2.21**, **2.22**, **2.24**, **2.26**, **10.5**, **10.6** and **10.7**), each borrowing by the Borrower from the Revolving Lenders hereunder, each payment by the Borrower on account of any commitment fee and any reduction of the Revolving Commitments, in each case in respect of such Tranche, shall be made **pro rata** according to the applicable Tranche Revolving Percentages of such Revolving Lenders other than reductions of such Revolving Commitments pursuant to **Section 2.24**.

65. [reserved].

66. **Principal and Interest**

xxxvi.Except as expressly otherwise provided herein (including as expressly provided in **Sections 2.7**, **2.10(b)**, **2.11**, **2.12**, **2.15(c)**, **2.19**, **2.20**, **2.21**, **2.22**, **2.24**, **2.26**, **10.5**, **10.6** and **10.7**), each payment (including prepayments) to be made by the Borrower on account of principal of and interest on the Tranche A Revolving Loans shall be made **pro rata** according to the respective outstanding principal amounts of the Tranche A Revolving Loans then held by the Tranche A Revolving Lenders.

xxxvii.Except as expressly otherwise provided herein (including as expressly provided in **Sections 2.7**, **2.10(b)**, **2.11**, **2.12**, **2.15(c)**, **2.19**, **2.20**, **2.21**, **2.22**, **2.24**, **2.26**, **10.5**, **10.6** and **10.7**), each payment (including prepayments) to be made by the Borrower on account of principal of and interest on the SISO Term Loans or Tranche B Term Loans shall be made **pro rata** according to the respective outstanding principal amounts of the SISO Term Loans or the Tranche B Term Loans then held by the SISO Term Lenders or the Tranche B Term Lenders, respectively.

xxxviii.With respect to each Tranche (excluding Tranche A Revolving Loans, SISO Term Loans and Tranche B Term Loans), except as expressly otherwise provided herein (including as expressly provided in **Sections 2.7**, **2.10(b)**, **2.11**, **2.12**, **2.15(c)**, **2.19**, **2.20**, **2.21**, **2.22**, **2.24**, **2.26**, **10.5**, **10.6** and **10.7**), each payment (including prepayments) to be made by the Borrower on account of principal of and interest on the Revolving Loans of such Tranche shall be made **pro**

**rata** according to the respective outstanding principal amounts of the Revolving Loans of such Tranche then held by the Revolving Lenders other than payments in respect of any differences in the Applicable Margin applicable to different Tranches.

xxxix. Each payment in respect of Reimbursement Obligations in respect of any Letter of Credit shall be made to the Issuing Lender that issued such Letter of Credit. Each payment of principal in respect of Swingline Loans shall be made in accordance with **Section 2.6**. Each payment in respect of Local Loans shall be made to the applicable Local Fronting Lender, in accordance with **Section 2.8(a)**.

67. All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise (other than those relating to Local Loans and Acceptances), shall be made without setoff, deduction or counterclaim and shall be made prior to 3:00 p.m., New York City time, on the due date thereof to the Administrative Agent, for the account of the relevant Lenders, at the Funding Office, in immediately available funds. Any payment received by the Administrative Agent after 3:00 p.m., New York City time may be considered received on the next Business Day in the Administrative Agent's sole discretion. The Administrative Agent shall distribute such payments to the relevant Lenders promptly upon receipt in like funds as received; ***provided***, that payments received by the Administrative Agent on account of interest or fees on the Local Loans and Acceptances may be held by the Administrative Agent and distributed to the Lenders not less frequently than weekly. If any payment hereunder (other than payments on the Eurocurrency Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a Eurocurrency Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension. During any Liquidity Event Period, solely for purposes of determining the amount of Loans available for borrowing purposes, checks (in addition to immediately available funds applied pursuant to **Section 2.8(e)**) from collections of items of payment and proceeds of any ABL Facility First Priority Collateral shall be applied in whole or in part against the applicable Obligations on the Business Day of receipt, subject to actual collection. Notwithstanding anything to the contrary, to the extent the Administrative Agent receives a payment or other amount after the date such payment or other amount is due, the Administrative Agent, in its sole discretion, may distribute such payment or other amount to the relevant Lender of record (or other Person of record entitled to such payment) as of the date such payment or other amount is received by the Administrative Agent.

xl. All payments (including prepayments) to be made by any Local Borrower on account of principal, interest and fees relating to Local Loans and Acceptances shall be made without set-off or counterclaim and shall be made to the Local Fronting Lender to which such amounts are owing at the office of such Local Fronting Lender, or at such other location as such Local Fronting Lender may direct, on or prior to 1:00 p.m., local time at the principal lending office of such Local Fronting Lender. Each such payment shall, to the extent that it is owing on account of Local Loans which are denominated in Dollars, be paid in Dollars and, otherwise, shall be paid in the relevant Permitted Foreign Currency and in immediately available funds. Each Local Fronting Lender shall give prompt notice to the Administrative Agent of amounts from time to time received by it hereunder.

68. Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent on demand, such amount with interest thereon, at a rate equal to the greater of (i) the Federal Funds Effective Rate and (ii) a rate reasonably determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be presumptively correct in the absence of demonstrable error. If such Lender's share of such borrowing is not made available to the Administrative Agent by such Lender within three Business Days after such Borrowing Date, the Administrative Agent shall give notice of such fact to the Borrower and the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans under the relevant Facility, on demand, from the Borrower. Nothing herein shall be deemed to limit the rights of the Administrative Agent or the Borrower against any Defaulting Lender.

69. Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment due to be made by the Borrower hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the relevant Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days after such due date, the Administrative Agent shall be entitled to recover, on demand, from each relevant Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Federal Funds Effective Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.

**fp. Requirements of Law.**

70. Except with respect to Indemnified Taxes, Excluded Taxes and Other Taxes, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority first made, in each case, subsequent to the Closing Date:

xli. shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by any office of such Lender that is not otherwise included in the determination of the Eurocurrency Rate hereunder;

xlii. shall subject any Recipient to any Taxes on its loans, loan principal, letters of credit, commitments, or other obligations or its deposits, reserves, other liability or capital attributable thereto; or

xliii. shall impose on such Lender any other condition not otherwise contemplated hereunder;

and the result of any of the foregoing is to increase the cost to such Lender or other Recipient, by an amount which such Lender or other Recipient reasonably deems to be material, of making, converting into, continuing or maintaining Eurocurrency Loans or issuing or participating in Letters of Credit, Local Loans or Acceptances (in each case hereunder), or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower or Local Borrowing Subsidiary, as applicable, shall promptly pay such Lender, in Dollars or the Permitted Foreign Currency, as applicable, within thirty Business Days after the Borrower's receipt of a reasonably detailed invoice therefor (showing with reasonable detail the calculations thereof), any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable. If any Lender becomes entitled to claim any additional amounts pursuant to this **Section 2.19**, it shall promptly notify the Borrower (with a copy to the Administrative Agent) of the event by reason of which it has become so entitled.

71. If any Lender shall have reasonably determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or liquidity requirements or in the interpretation or application thereof or compliance by such Lender or any entity controlling such Lender with any request or directive regarding capital adequacy or liquidity requirements (whether or not having the force of law) from any Governmental Authority first made, in each case, subsequent to the Closing Date shall have the effect of reducing the rate of return on such Lender's or such entity's capital as a consequence of its obligations hereunder or under or in respect of any Letter of Credit, Local Loan or Acceptance to a level below that which such Lender or such entity could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such entity's policies with respect to capital adequacy or liquidity requirements) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a reasonably detailed written request therefor (consistent with the detail provided by such Lender to similarly situated borrowers), the Borrower, or if such Lender is a Local Fronting Lender, the applicable Local Borrowing Subsidiary, shall pay to such Lender, in Dollars, such additional amount or amounts as will compensate such Lender or such entity for such reduction.

72. A certificate prepared in good faith as to any additional amounts payable pursuant to this **Section 2.19** submitted by any Lender to the Borrower (with a copy to the Administrative Agent) shall be presumptively correct in the absence of demonstrable error. Notwithstanding anything to the contrary in this **Section 2.19**, the Borrower shall not be required to compensate a Lender pursuant to this **Section 2.19** for any amounts incurred more than 180 days prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor; ***provided***, that if the circumstances giving rise to such claim have a retroactive effect, then such 180-day period shall be extended to include the period of such retroactive effect. The obligations of the Borrower pursuant to this **Section 2.19** shall survive the termination of this Agreement and the payment of the Obligations. Notwithstanding the foregoing, the Borrower shall not be obligated to make payment to any Lender with respect to penalties, interest and expenses if written demand therefor was not made by such Lender within 180 days from the date on which such Lender makes payment for such penalties, interest and expenses.

73. Notwithstanding anything in this **Section 2.19** to the contrary, solely for purposes of this **Section 2.19**, (i) the Dodd Frank Wall Street Reform and Consumer Protection Act, and all requests, rules, regulations, guidelines and directives promulgated thereunder or issued in connection therewith and (ii) all requests, rules, guidelines, requirements and 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 have been enacted, adopted or issued, as applicable, subsequent to the Closing Date.

74. For purposes of this **Section 2.19**, the term "Lender" shall include any Issuing Lender, Local Fronting Lender and Swingline Lender.

**fq. Taxes.**

75. Except as otherwise provided in this Agreement or as required by law, all payments made by or on account of each Borrower or any Loan Party under this Agreement and the other Loan Documents to any Recipient under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any Taxes. If any Indemnified Taxes or Other Taxes are required to be deducted or withheld from any such payments, the amounts so payable to the applicable Recipient shall be increased to the extent necessary so that after deduction or withholding of such Indemnified Taxes and Other Taxes (including Indemnified Taxes attributable to amounts payable under this **Section 2.20(a)**) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

76. In addition, each Borrower or any Loan Party under this Agreement and the other Loan Documents shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

77. Whenever any Taxes are payable by any Borrower and any Loan Party under this Agreement and the other Loan Documents, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for the account of the Administrative Agent or Lender, as the case may be, a certified copy of an original official receipt received by such Borrower or Loan Party showing payment thereof if such receipt is obtainable, or, if not, such other evidence of payment as may reasonably be required by the Administrative Agent or such Lender. If any Borrower or any Loan Party under this Agreement and the other Loan Documents fails to pay any Indemnified Taxes or Other Taxes that such Borrower or Loan Party under this Agreement and the other Loan Documents is required to pay pursuant to this **Section 2.20** (or in respect of which such Borrower or any Loan Party under this Agreement and the other Loan Documents would be required to pay increased amounts pursuant to **Section 2.20(a)** if such Indemnified Taxes or Other Taxes were withheld) when due to the appropriate taxing authority or fails to remit to the Administrative Agent the required receipts or other required documentary evidence, such Borrower or any Loan Party under this Agreement and the other Loan Documents shall indemnify the applicable Recipient for any payments by them of such Indemnified Taxes or Other Taxes, including any amounts payable pursuant to **Section 2.20(a)**, and for any Indemnified Taxes that become payable by such Recipient as a result of any such failure within thirty days after the Lender or the Administrative Agent delivers to such Borrower or Loan Party (with a copy to the Administrative Agent) either (a) a copy of the receipt issued by a Governmental Authority evidencing payment of such Taxes or (b) certificates as to the amount of such payment or liability prepared in good faith.

78. [reserved]

79. Each Lender that is entitled to an exemption from or reduction of non-U.S. withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrowers and the Administrative Agent, at the time or times reasonably requested by the Borrowers or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrowers or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, each Lender, if reasonably requested by the Borrowers or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrowers or the Administrative Agent as will enable the Borrowers or the

Administrative Agent to determine whether or not such Lender is subject to non U.S. backup or similar withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation 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. Each Lender that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) (a "***Non-US Lender***") shall deliver to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) (A) (i) two accurate and complete copies of IRS Form W-8ECI, W-8BEN or W-8BEN-E, as applicable, (ii) in the case of a Non-US Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of **Exhibit F** and two accurate and complete copies of IRS Form W-8BEN or W-8BEN-E, or any subsequent versions or successors to such forms, in each case properly completed and duly executed by such Non-US Lender claiming complete exemption from, or reduced rate of, U.S. federal withholding tax on all payments under this Agreement and the other Loan Documents, or (iii) IRS Form W-8IMY (or any applicable successor form) and all necessary attachments (including the forms described in **clauses (i)** and **(ii)** above, ***provided*** that if the Non-US Lender is a partnership, and one or more of the partners is claiming portfolio interest treatment, the certificate in the form of **Exhibit F** may be provided by such Non-US Lender on behalf of such partners) and (B) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made. Such forms shall be delivered by each Non-US Lender before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). In addition, each Non-US Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Non-US Lender, and from time to time thereafter if reasonably requested by the Borrower or the Administrative Agent. Each Non-US Lender shall (i) promptly notify the Borrower and the Administrative Agent at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower and the Administrative Agent (or any other form of certification adopted by the United States taxing authorities for such purpose) and (ii) take such steps as shall not be disadvantageous to it, in its reasonable judgment, and as may be reasonably necessary (including the re-designation of its lending office pursuant to **Section 2.23**) to avoid any requirement of applicable laws of any such jurisdiction that the applicable Borrower or any Loan Party make any deduction or withholding for Taxes from amounts payable to such Lender. Notwithstanding any other provision of this paragraph, a Non-US Lender shall not be required to deliver any form pursuant to this paragraph that such Non-US Lender is not legally able to deliver ***provided*** that it shall promptly notify the Borrower and the Administrative Agent in writing of such inability.

80. [reserved]

81. Each Lender that is a United States person (as such term is defined in Section 7701(a)(30) of the Code) (a "***US Lender***") shall deliver to the Borrower and the Administrative Agent two accurate and complete copies of IRS Form W-9, or any subsequent versions or successors to such form and certify that such Lender is not subject to backup withholding. Such forms shall be delivered by each US Lender on or before the date it becomes a party to this Agreement. In addition, each US Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such US Lender, and from time to time thereafter if reasonably requested by the Borrower or the Administrative Agent. Each US Lender shall promptly notify the Borrower and the Administrative Agent at any time it

determines that it is no longer in a position to provide any previously delivered certifications to the Borrower and the Administrative Agent (or any other form of certification adopted by the United States taxing authorities for such purpose).

82. If any Recipient determines, in good faith, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified pursuant to this **Section 2.20** (including by the payment of additional amounts pursuant to this **Section 2.20**), it shall promptly pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid under this **Section 2.20** with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of such Recipient and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); ***provided***, that such indemnifying party, upon the request of such Recipient, agrees to repay the amount paid over to the indemnifying party (***plus*** any penalties, interest or other charges imposed by the relevant Governmental Authority other than any such penalties, interest or other charges resulting from the gross negligence or willful misconduct of the relevant Recipient (as determined by a final and non-appealable judgment of a court of competent jurisdiction)) to such Recipient in the event such Recipient is required to repay such refund to such Governmental Authority; ***provided***, ***further***, that such Recipient shall, at the indemnifying party's request, provide a copy of any notice of assessment or other evidence of the requirement to pay such refund received from the relevant Governmental Authority (***provided*** that the Recipient may delete any information therein that it deems confidential). This paragraph shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Borrower or any other Person. In no event will any Recipient be required to pay any amount to an indemnifying party the payment of which would place such Recipient in a less favorable net after-tax position than such Recipient would have been in if the additional amounts giving rise to such refund of any Indemnified Taxes or Other Taxes had never been paid. The agreements in this **Section 2.20** shall survive the termination of this Agreement and the payment of the Obligations.

83. [reserved]

84. If a payment made to a Lender under any Loan Document would be subject to withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or 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 Administrative Agent as may be necessary for the Borrower and Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this **Section 2.20(j)** "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

85. To the extent required by any applicable laws, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. Without limiting the provisions of **Section 2.20**, each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Borrower or Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of such Borrower or Loan Parties to do so),

(ii) any Taxes attributable to such Lender's failure to comply with the provisions of **Section 10.6(c)(iii)** 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 paragraph (h).

86. The agreements in this **Section 2.20** shall survive the termination of this Agreement and payment of the Loans and all other amounts payable under any Loan Document, the resignation of the Administrative Agent and any assignment of rights by, or replacement of, any Lender.

87. For purposes of this **Section 2.20**, the term "Lender" shall include any Issuing Lender or Swingline Lender, and, for the avoidance of doubt, applicable law includes FATCA.

**fr. Indemnity**

. Other than with respect to Taxes, which shall be governed solely by **Section 2.20**, the Borrower agrees to indemnify each Lender for, and to hold each Lender harmless from, any loss or expense (other than lost profits, including the loss of Applicable Margin) that such Lender actually sustains or incurs as a consequence of (a) any failure by the Borrower in making a borrowing of, conversion into or continuation of Eurocurrency Loans or Local Rate Loans after the Borrower has given notice requesting the same in accordance with the provisions of this Agreement, (b) any failure by the Borrower in making any prepayment of or conversion from Eurocurrency Loans or Local Rate Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c) the making of a prepayment, conversion or continuation of Eurocurrency Loans or Local Rate Loans on a day that is not the last day of an Interest Period with respect thereto. A reasonably detailed certificate as to (showing in reasonable detail the calculation of) any amounts payable pursuant to this **Section 2.21** submitted to the Borrower by any Lender shall be presumptively correct in the absence of demonstrable error. This covenant shall survive the termination of this Agreement and the payment of the Obligations.

**fs. Illegality.**

88. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof, in each case, first made after the Closing Date, shall make it unlawful for any Revolving Lender to make or maintain Eurocurrency Loans as contemplated by this Agreement, such Lender shall promptly give notice thereof to the Administrative Agent and the Borrower, and (a) the commitment of such Lender hereunder to make Eurocurrency Loans, continue Eurocurrency Loans as such and convert ABR Loans to Eurocurrency Loans shall be suspended during the period of such illegality and (b) such Lender's Loans then outstanding as Eurocurrency Loans, if any, shall be converted automatically to ABR Loans on the respective last days of the then current Interest Periods with respect to such Loans or within such earlier period as required by law. If any such conversion of a Eurocurrency Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to **Section 2.21**.

89. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof, in each case, first made after the Closing Date, shall make it unlawful for any Local Fronting Lender to make or maintain Local Loans as Eurocurrency Loans in the Permitted Foreign Currency applicable to it as contemplated by this Agreement or to accept deposits in order to make or maintain such Eurocurrency Loans, (i) such Local Fronting Lender shall promptly notify the Administrative Agent, the Company and the relevant Local Borrowing Subsidiary thereof, (ii) the agreements of such Local Fronting Lender hereunder to make or convert to Eurocurrency Loans shall be suspended during the period of such illegality, (iii) such Local Fronting Lender's Local Loans then outstanding as Eurocurrency Loans, if any, shall automatically become Local Rate Loans for the duration of the respective Interest Periods applicable thereto (or, if permitted by applicable law, at the end of such Interest Periods).

90. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof, in each case, first made after the Closing Date, shall make it unlawful for any Revolving Lender to purchase a participating interest in any Local Loan or Acceptance, such Revolving Lender shall use reasonable efforts (including reasonable efforts to change the office in which it is booking such participating interest) to avoid such prohibition; ***provided***, ***however***, that such efforts shall not cause the imposition on such Revolving Lender of any additional costs or legal or regulatory burdens deemed by such Revolving Lender to be material or otherwise be deemed by such Revolving Lender to be disadvantageous to it or contrary to its policies. In the event that such efforts are not sufficient to avoid such prohibition, (i) the Borrower shall be permitted to replace such Revolving Lender in accordance with and subject to the requirements of **Section 2.24**, (ii) such Revolving Lender shall promptly notify the Administrative Agent, the relevant Local Fronting Lender, the Company and the relevant Local Borrowing Subsidiary thereof and (iii) the agreements of such Local Fronting Lender to make further Local Loans (or, to the extent applicable, to make further Local Loans upon such interest rate basis) and Acceptances hereunder shall be suspended during the period of such prohibition.

**ft. Change of Lending Office**

. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of **Section 2.19**, **2.20(a)** or **2.22** with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to avoid or minimize any amounts payable pursuant to such Sections (including by designating another lending office for any Loans affected by such event with the object of avoiding the consequences of such event); ***provided***, that such designation is made on terms that, in the good faith judgment of such Lender, cause such Lender and its lending office(s) to suffer no material economic, legal or regulatory disadvantage; ***provided***, ***further***, that nothing in this **Section 2.23** shall affect or postpone any of the obligations of the Borrower or the rights of any Lender pursuant to **Section 2.19**, **2.20(a)** or **2.22**.

**fu. Replacement of Lenders**

. Notwithstanding anything to the contrary herein, including the provisions set forth in **Section 2.10**, **Section 2.11** and **Section 2.12** each of which shall not apply to prepayments or termination of Loans or Commitments under this **Section 2.24**, the Borrower shall be permitted to (a) replace with a financial entity or financial entities, or (b) prepay or terminate, without premium or penalty (but subject to **Section 2.21**), the Loans or Commitments, as applicable, of any Lender, Issuing Lender or Swingline Lender (each such Lender, Issuing Lender or Swingline Lender, a "***Replaced Lender***") that (i) requests reimbursement for amounts owing or otherwise results in increased costs imposed on the Borrowers or on

account of which a Borrower is required to pay additional amounts to any Governmental Authority, in each case, pursuant to **Section 2.19**, **2.20** or **2.21** (to the extent a request made by a Lender pursuant to the operation of **Section 2.21** is materially greater than requests made by other Lenders) or gives a notice of illegality pursuant to **Section 2.22**, (ii) is a Defaulting Lender or a Lender referred to in **Section 2.22(c)(i)**, (iii) is, or the Borrower reasonably believes could constitute, a Disqualified Institution, or (iv) has refused to consent to any waiver or amendment with respect to any Loan Document that requires such Lender's consent and has been consented to by the Required Lenders; ***provided***, that, in the case of a replacement pursuant to **clause (a)** above:

f. such replacement does not conflict with any Requirement of Law;

g. the replacement financial entity or financial entities shall purchase, at par, all Loans and other amounts owing to such Replaced Lender on or prior to the date of replacement (or, in the case of a replacement of an Issuing Lender or Swingline Lender, comply with the provisions of **Section 9.9(c)** (to the extent applicable as if such Lender was resigning as Administrative Agent));

h. the Borrower shall be liable to such Replaced Lender under **Section 2.21** (as though **Section 2.21** were applicable) if any Eurocurrency Loan owing to such Replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto;

i. the replacement financial entity or financial entities, (x) if not already a Lender, shall be reasonably satisfactory to the Administrative Agent to the extent that an assignment to such replacement financial institution of the rights and obligations being acquired by it would otherwise require the consent of the Administrative Agent pursuant to **Section 10.6(b)(i)(2)** and (y) shall pay (unless otherwise paid by the Borrower) any processing and recordation fee required under **Section 10.6(b)(ii)(2)**;

j. the Administrative Agent and any replacement financial entity or entities shall execute and deliver, and such Replaced Lender shall thereupon be deemed to have executed and delivered, an appropriately completed Assignment and Assumption to effect such substitution (or, in the case of a replacement of an Issuing Lender or Swingline Lender, customary assignment documentation);

k. the Borrower shall pay all additional amounts (if any) required pursuant to **Section 2.19** or **2.20**, as the case may be, in respect of any period prior to the date on which such replacement shall be consummated;

l. in respect of a replacement pursuant to **clause (iv)** above, the replacement financial entity or financial entities shall consent to such amendment or waiver; and

m. any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the Replaced Lender.

Prepayments pursuant to clause (b) above (i) shall be accompanied by accrued and unpaid interest on the principal amount so prepaid up to the date of such prepayment and (ii) shall not be subject to the provisions of **Section 2.18**. The termination of the Revolving Commitments of any Lender pursuant to

**clause (b)** above shall not be subject to the provisions of Section 2.18. In connection with any such replacement under this **Section 2.24**, if the Replaced Lender does not execute and deliver to the Administrative Agent a duly completed Assignment and Assumption and/or any other documentation necessary to reflect such replacement by the later of (a) the date on which the replacement Lender executes and delivers such Assignment and Assumption and/or such other documentation and (b) the date as of which all obligations of the Borrower owing to the Replaced Lender relating to the Loans and participations so assigned shall be paid in full to such Replaced Lender, then such Replaced Lender shall be deemed to have executed and delivered such Assignment and Assumption and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Assumption and/or such other documentation on behalf of such Replaced Lender, and the Administrative Agent shall record such assignment in the Register.

**fv. [Reserved].**

**fw. Extension of Revolving Commitments.**

91. The Borrower may at any time and from time to time request that all or a portion of the Revolving Commitments of one or more Tranches existing at the time of such request (each, an "***Existing Revolving Tranche***" and the Revolving Loans of such Existing Revolving Tranche, the "***Existing Revolving Loans***"), in each case, be converted to extend the scheduled maturity date(s) of any payment of principal (or extend the termination date of any commitments) with respect to all or a portion of any principal amount (or commitments) of any Existing Revolving Tranche (any such Existing Revolving Tranche which has been so extended, an "***Extended Revolving Tranche***", and the Revolving Commitments of such Extended Revolving Tranches, the "***Extended Revolving Commitments***") and to provide for other terms consistent with this **Section 2.26**; ***provided***, that (i) any such request shall be made by the Borrower to all Lenders with Revolving Commitments, with a like maturity date (whether under one or more Tranches) on a pro rata basis (based on the aggregate outstanding principal amount of the applicable Revolving Commitments) and (ii) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrower in its sole discretion. In order to establish any Extended Revolving Tranche, the Borrower shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Existing Revolving Tranche) (an "***Extension Request***") setting forth the proposed terms of the Extended Revolving Tranche to be established, which terms shall be substantially similar to those applicable to the Existing Revolving Tranche from which they are to be extended (the "***Specified Existing Tranche***"), except (x) all or any of the final maturity or termination dates of such Extended Revolving Tranches may be delayed to later dates than the final maturity or termination dates of the Specified Existing Tranche, and (y) (A) the interest margins with respect to the Extended Revolving Tranche may be higher or lower than the interest margins for the Specified Existing Tranche and/or (B) additional fees may be payable to the Lenders providing such Extended Revolving Tranche in addition to or in lieu of any increased margins contemplated by the preceding **clause (A)**; ***provided***, that, notwithstanding anything to the contrary in this **Section 2.26** or otherwise, assignments and participations of Extended Revolving Tranches shall be governed by the same or, at the Borrower's discretion, more restrictive assignment and participation provisions applicable to Revolving Commitments, set forth in **Section 10.6**. No Lender shall have any obligation to agree to have any of its Existing Revolving Loans converted into an Extended Revolving Tranche pursuant to any Extension Request. Any Extended Revolving Tranche shall constitute a separate Tranche of Loans from the Specified Existing Tranches and from any other Existing Revolving Tranches (and any other Extended Revolving Tranches so established on such date).

92. The Borrower shall provide the applicable Extension Request at least 10 Business Days (or such shorter period as the Administrative Agent may agree to) prior to the date on which Lenders under the applicable Existing Revolving Tranche or Existing Revolving Tranches are requested to respond. Any Lender (an "***Extending Lender***") wishing to have all or a portion of its Specified Existing Tranche converted into an Extended Revolving Tranche shall notify the Administrative Agent (each, an "***Extension Election***") on or prior to the date specified in such Extension Request of the amount of its Specified Existing Tranche that it has elected to convert into an Extended Revolving Tranche. In the event that the aggregate amount of the Specified Existing Tranche subject to Extension Elections exceeds the amount of Extended Revolving Tranches requested pursuant to the Extension Request, the Specified Existing Tranches subject to Extension Elections shall be converted to Extended Revolving Tranches on a pro rata basis based on the amount of Specified Existing Tranches included in each such Extension Election. In connection with any extension of Loans pursuant to this **Section 2.26** (each, an "***Extension***"), the Borrower shall agree to such procedures regarding timing, rounding and other administrative adjustments to ensure reasonable administrative management of the credit facilities hereunder after such Extension, as may be established by, or acceptable to, the Administrative Agent and the Borrower, in each case acting reasonably to accomplish the purposes of this **Section 2.26; *provided,*** that no such Extension and no amendments relating thereto (including any Section 2.26 Additional Amendments) shall become effective, unless

xliv. to the extent reasonably requested by the Administrative Agent, the Borrower shall deliver or cause to be delivered

n. customary legal opinions with respect to the due authorization, execution and delivery by the Borrower and each other Loan Party to be party thereto and the enforceability of the applicable Extension Amendment or Section 2.26 Additional Amendment, as applicable, the non-conflict of the execution, delivery of and performance of payment obligations under such documentation with this Agreement and with the organizational documents of the Loan Parties and the effectiveness of the Guarantee and Collateral Agreement to create a valid security interest, and the effectiveness of specified other Security Documents to perfect such security interests, in specified Collateral to secure the Obligations, including the extensions of credit under such Extension Amendment or Section 2.26 Additional Amendment, as applicable,

o. certified copies of the resolutions or other applicable corporate action of each applicable Loan Party approving its entry into such documents and the transactions contemplated by such Extension or such amendment, and

p. customary reaffirmation agreements and/or such amendments, supplements or modifications to the Security Documents as may be reasonably necessary or advisable to ensure that each Extending Lender is provided with the benefits of the applicable Loan Documents and each then existing Secured Party continues to be provided with the benefit of the applicable Loan Documents, and

xlv. the conditions set forth in **Section 2.34** shall be satisfied, if applicable.

93. Extended Revolving Tranches shall be established pursuant to an amendment (an "***Extension Amendment***") to this Agreement and the other Loan Documents (which may include amendments to provisions related to maturity, interest margins or fees referenced in **clauses (x)** and **(y)** of **Section 2.26(a)**, and which, except to the extent expressly contemplated by the last sentence of this

**Section 2.26(c)** and notwithstanding anything to the contrary set forth in **Section 10.1**, shall not require the consent of any Lender other than the Extending Lenders with respect to the Extended Revolving Tranches established thereby) executed by the Loan Parties, the Administrative Agent, and the Extending Lenders. Subject to the requirements of this **Section 2.26** and without limiting the generality or applicability of **Section 10.1** to any Section 2.26 Additional Amendments, any Extension Amendment may provide for additional terms and/or additional amendments other than those referred to or contemplated above (any such additional amendment, a "***Section 2.26 Additional Amendment***") to this Agreement and the other Loan Documents; ***provided***, that such Section 2.26 Additional Amendments do not become effective prior to the time that such Section 2.26 Additional Amendments have been consented to (including pursuant to consents applicable to holders of any Extended Revolving Tranches provided for in any Extension Amendment) by such of the Lenders, Loan Parties and other parties (if any) as may be required in order for such Section 2.26 Additional Amendments to become effective in accordance with **Section 10.1**; ***provided***, ***further***, that no Extension Amendment may provide for any Extended Revolving Tranche to be secured by any Collateral or other assets of any Loan Party that does not also secure the Existing Revolving Tranches or be guaranteed by any Person other than the Guarantors. Notwithstanding anything to the contrary in **Section 10.1**, any such Extension Amendment may, without the consent of any other Lenders, effect such amendments to any Loan Documents as may be necessary or appropriate, in the reasonable judgment of the Borrower and the Administrative Agent, to effect the provisions of this **Section 2.26**; ***provided***, that the foregoing shall not constitute a consent on behalf of any Lender to the terms of any Section 2.26 Additional Amendment.

94. Notwithstanding anything to the contrary contained in this Agreement, on any date on which any Existing Revolving Tranche is converted to extend the related scheduled termination date(s) in accordance with **Section 2.26(a)** above (an "***Extension Date***"), in the case of the Specified Existing Tranche of each Extending Lender, the aggregate principal amount of such Specified Existing Tranche shall be deemed reduced by an amount equal to the aggregate principal amount of the Extended Revolving Tranche so converted by such Lender on such date, and such Extended Revolving Tranches shall be established as a separate Tranche from the Specified Existing Tranche and from any other Existing Revolving Tranches (and any other Extended Revolving Tranches so established on such date).

95. If, in connection with any proposed Extension Amendment, any Lender declines to consent to the applicable extension on the terms and by the deadline set forth in the applicable Extension Request (each such other Lender, a "***Non-Extending Lender***") then the Borrower may, on notice to the Administrative Agent and the Non-Extending Lender, replace such Non-Extending Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to **Section 10.6** (with the assignment fee and any other costs and expenses to be paid by the Borrower or the assignee in such instance) all of its rights and obligations under this Agreement to one or more assignees; ***provided***, that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender; ***provided***, ***further***, that the applicable assignee shall have agreed to provide Extended Revolving Commitments on the terms set forth in such Extension Amendment; ***provided***, ***further***, that all obligations of the Borrower owing to the Non-Extending Lender relating to the Existing Revolving Loans so assigned (including pursuant to **Section 2.21** (as though **Section 2.21** were applicable)) shall be paid in full by the assignee Lender to such Non-Extending Lender concurrently with such Assignment and Assumption. In connection with any such replacement under this **Section 2.26**, if the Non-Extending Lender does not execute and deliver to the Administrative Agent a duly completed Assignment and Assumption, by the later of (A) the date on which the replacement Lender executes and delivers such Assignment and Assumption, and (B) the date as of which all obligations of the Borrower owing to the Non-Extending Lender relating to the Existing Revolving Loans so assigned shall be paid in full to such Non-Extending Lender, then such Non-Extending Lender shall be deemed to have executed and delivered

such Assignment and Assumption, as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Assumption, on behalf of such Non-Extending Lender.

96. Following any Extension Date, with the written consent of the Borrower, any Non-Extending Lender may elect to have all or a portion of its existing Revolving Commitments deemed to be an Extended Revolving Commitment under the applicable Extended Revolving Tranche on any date (each date a "***Designation Date***") prior to the commitment termination date of such Extended Revolving Tranche; ***provided***, that such Lender shall have provided written notice to the Borrower and the Administrative Agent at least 10 Business Days prior to such Designation Date (or such shorter period as the Administrative Agent may agree in its reasonable discretion); ***provided***, ***further***, that no greater amount shall be paid by or on behalf of the Borrower or any of its Affiliates to any such Non-Extending Lender as consideration for its extension into such Extended Revolving Tranche than was paid to any Extending Lender as consideration for its Extension into such Extended Revolving Tranche. Following a Designation Date, the Existing Revolving Loans held by such Lender so elected to be extended will be deemed to be Extended Revolving Commitments of the applicable Extended Revolving Tranche, and any existing Revolving Commitments held by such Lender not elected to be extended, if any, shall continue to be Revolving Commitments of the applicable Tranche.

97. With respect to all Extensions consummated by the Borrower pursuant to this **Section 2.26**, (i) such Extensions shall not constitute optional or mandatory payments or prepayments for purposes of **Sections 2.11** and **2.12** and (ii) no Extension Request is required to be in any minimum amount or any minimum increment, ***provided***, that the Borrower may at its election specify as a condition (a "***Minimum Extension Condition***") to consummating any such Extension that a minimum amount (to be determined and specified in the relevant Extension Request in the Borrower's sole discretion and which may be waived by the Borrower) of Extended Revolving Tranches or Existing Revolving Loans of any or all applicable Tranches be extended. The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this **Section 2.26** (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Revolving Commitments on such terms as may be set forth in the relevant Extension Request) and hereby waive the requirements of any provision of this Agreement (including **Sections 2.8**, **2.11** and **2.12**) or any other Loan Document that may otherwise prohibit any such Extension or any other transaction contemplated by this **Section 2.26**.

**fx. Designation of Additional Permitted Foreign Currencies.**

98. The Company may from time to time request that any one or more additional freely available currencies which are freely transferable and freely convertible into Dollars be designated as "*Permitted Foreign Currencies*" hereunder by providing written notice to the Administrative Agent specifying (i) the relevant Local Borrowing Subsidiary for such currency (which need not be an existing Local Borrowing Subsidiary), (ii) the requested amount of the Currency Sublimit for such Permitted Foreign Currency and (iii) specifying the Local Fronting Lender with respect thereto and the Maximum Sublimit to be inserted in **Schedule 2.4(b)** for such Local Fronting Lender; ***provided***, ***however***, that in no event shall the sum of all Currency Sublimits (after giving effect to the requested designation of an additional Permitted Foreign Currency and any concurrent re-allocation of the Currency Sublimits pursuant to **Section 2.28**) exceed 20% of the aggregate Tranche A Revolving Commitments then in effect. The Administrative Agent shall promptly forward to each Tranche A Revolving Lender a copy of any such notice. Within ten Business Days following the receipt of such notice, the applicable Tranche A Revolving Lender or Local Fronting Lender shall notify the Administrative Agent in writing whether such designation is acceptable to such Tranche A Revolving Lender or Local Fronting Lender (in its sole discretion) and the Administrative Agent promptly shall notify the Company thereof.

99. In the event that such designation is acceptable to the applicable Tranche A Revolving Lender or Local Fronting Lender, the Company shall cause the requested Local Borrowing Subsidiary to deliver, as applicable, to the Administrative Agent (i) if the applicable Local Borrowing Subsidiary is not an existing party to this Agreement, a Local Borrowing Subsidiary Joinder Agreement, (ii) such other documents, instruments, agreements and legal opinions as the Administrative Agent reasonably may request (including, in any event, an opinion of local counsel in the relevant jurisdiction to the effect that no Lender, other than the relevant Local Fronting Lender, shall be deemed to be doing business in the relevant jurisdiction, or otherwise shall be subject to regulation or taxation therein, solely as a result of the agreements set forth herein, with such legal opinions to be in form and substance reasonably acceptable to the Administrative Agent) and (iii) if the Local Fronting Lender for such Permitted Foreign Currency is not an existing Local Fronting Lender, a Local Fronting Lender Joinder Agreement from such Local Fronting Lender.

100. From and after the date upon which the Administrative Agent has received the documents (all of which shall be in form and substance reasonably satisfactory to the Administrative Agent) described in **Section 2.27(b)**, **Schedule 2.4(b)** hereto shall be deemed to be amended to reflect (i) the designation of such currency as a Permitted Foreign Currency, (ii) the aggregate amount of the Currency Sublimit and Maximum Sublimit with respect thereto, (iii) the name and applicable local lending office of the relevant Local Fronting Lender with respect thereto and (iv) the name of the relevant Local Borrowing Subsidiary.

101. With respect to any Permitted Foreign Currency set forth on **Schedule 2.4(b)**, the Company may designate an additional or different Local Borrowing Subsidiary with respect thereto with the approval of the applicable Tranche A Revolving Lender and the relevant Local Fronting Lender, which designation shall take effect from and after the date upon which the Administrative Agent has received the documents described in **Section 2.27(b)(i)** and **(ii)** with respect to such designated Local Borrowing Subsidiary and from and after such date **Schedule 2.4(b)** shall be deemed to be amended to reflect the name of the Local Borrowing Subsidiary so designated.

102. The Administrative Agent shall give prompt notice to the Revolving Lenders of the effectiveness of any such designation and shall deliver to each Revolving Lender and the Company a revised version of **Schedule 2.4(b)** which reflects any such amendment.

**fy. Re-Allocation of Currency Sublimits.**

103. The Company (on its own behalf and as agent of the Local Borrowing Subsidiaries) may from time to time (but, unless the Administrative Agent shall otherwise agree, not more frequently than two times per calendar month) request that the amount of any one or more Currency Sublimits be increased and/or the amount of any one or more Currency Sublimits be decreased by delivering a written request for such re-allocation to the Administrative Agent. Each such request shall specify the amount (in Dollars) of the increase or decrease, as the case may be, applicable to each affected Currency Sublimit. The Administrative Agent shall deliver to each affected Local Fronting Lender a copy of such request promptly following receipt thereof.

104. Unless the revised Currency Sublimit of any Local Fronting Lender will, after giving effect to the requested re-allocation of Currency Sublimits, be in excess of the Maximum Sublimit then in effect for such Local Fronting Lender, then the Currency Sublimits shall be deemed to be so re-allocated and **Schedule 2.4(b)** shall be deemed to be amended to reflect such reallocation; ***provided***, ***however***, that (i) no Local Fronting Lender shall be required to lend more than its Currency Sublimit (as in effect prior

to the effectiveness of such re-allocation) until such Local Fronting Lender has received notice from the Administrative Agent of the effectiveness of such re-allocation (which notice the Administrative Agent agrees to deliver promptly upon such effectiveness) and (ii) after giving effect to such re-allocation, the aggregate Tranche A Revolving Extensions of Credit shall not exceed the Tranche A Availability then in effect. Promptly following the effectiveness of such re-allocation, the Administrative Agent shall deliver to each Revolving Lender and the Company a revised **Schedule 2.4(b)** which reflects such amendment.

105. In the event that the revised Currency Sublimit of any Local Fronting Lender will (after giving effect to the requested re-allocation of Currency Sublimits) be in excess of the Maximum Sublimit specified for such Local Fronting Lender on **Schedule 2.4(b)**, then such Local Fronting Lender and the Administrative Agent shall have ten Business Days to determine whether (in their sole discretion) to approve such increase. In the event that such Local Fronting Lender and the Administrative Agent approve such increase (which approval shall be delivered in writing to the Company and, in the case of the approval of such Local Fronting Lender, to the Administrative Agent) then the Currency Sublimit and the Maximum Sublimit of such Local Fronting Lender shall be re-allocated to such higher amounts requested for such Local Fronting Lender in the request delivered to the Administrative Agent pursuant to **Section 2.28(a)**. In the event that such Local Fronting Lender and the Administrative Agent do not approve such increase in accordance with the foregoing terms of this **Section 2.28(c)**, then the Currency Sublimit of such Local Fronting Lender shall be increased only to its existing Maximum Sublimit on the date upon which either such Local Fronting Lender or the Administrative Agent notifies the Company that such increase has not been approved (or, if no such notice is given, at the end of such ten day approval period). Promptly following the effectiveness of any such reallocation, the Administrative Agent shall deliver to each Revolving Lender and the Company a revised **Schedule 2.4(b)** which reflects such amendment. The Company or the relevant Local Borrowing Subsidiary shall pay any stamp, recording or other similar tax payable under the laws of the local jurisdiction which is required as a result of any such increase in the Maximum Sublimit of its relevant Local Fronting Lender.

106. In connection with any re-allocation made in accordance with this **Section 2.28**, the Company may designate that the Currency Sublimit applicable to any Local Fronting Lender is to be reduced to zero and that the relevant Local Borrowing Subsidiary is to cease to be a "*Local Borrowing Subsidiary*" hereunder. From and after any such designation and repayment of all relevant Local Loans or Acceptances then outstanding, such Local Borrowing Subsidiary shall cease to be a Borrower hereunder, such Local Fronting Lender shall cease to be the "*Local Fronting Lender*" for the relevant Permitted Foreign Currency and (except to the extent that the provisions of **Section 2.27** subsequently are complied with) no further Local Loans or Acceptances shall be made to any Borrower by such Local Fronting Lender in such Permitted Foreign Currency.

107. Notwithstanding anything to the contrary contained herein, no such reallocation shall be permitted if, after giving effect thereto, the aggregate Tranche A Revolving Extensions of Credit shall exceed the Tranche A Availability then in effect or the aggregate Revolving Extensions of Credit shall exceed the Availability then in effect.

108. Promptly following any change in the Currency Sublimit in effect for any Local Fronting Lender, the Administrative Agent shall deliver to such Local Fronting Lender a statement indicating the new Currency Sublimit in effect for such Local Fronting Lender.

**fz. Resignation or Removal of a Local Fronting Lender.**

109. In the event that a Local Fronting Lender shall so elect, such Local Fronting Lender shall resign as Local Fronting Lender by giving written notice of its resignation to the Company, the relevant Local Borrowing Subsidiary and the Administrative Agent, with such resignation becoming effective on the date which is the earlier of (i) the date upon which a Local Fronting Lender reasonably acceptable to the Administrative Agent and the Company (on its own behalf and as agent for the relevant Local Borrowing Subsidiary) is designated as a substitute Local Fronting Lender in accordance with the provisions of **Section 2.29(c)** and (ii) such other date upon which such Local Fronting Lender, the Company and the relevant Local Borrowing Subsidiary otherwise agree; ***provided***, ***however***, that such effective date shall in no event be later than the date which is 30 days following the date upon which such written notice is delivered to the Company. Any Local Loans and Acceptances made by such Local Fronting Lender which are outstanding on such termination date shall be due and payable on such termination date.

110. The Company (on its own behalf and as agent for the relevant Local Borrowing Subsidiary) at any time may, using its commercially reasonable judgment, request that any Local Fronting Lender cease to be designated as such by giving written notice of such request to the Administrative Agent (which notice the Administrative Agent promptly shall deliver to such Local Fronting Lender and to each Revolving Lender). Immediately upon receipt of such request, such Local Fronting Lender shall cease to make any additional Local Loans and cease to create any additional Acceptances, and all Local Loans and Acceptances then maintained by such Local Fronting Lender shall be due and payable on the date requested by the Company (which date shall be not earlier than (i) the earlier of (A) 30 days following delivery of such notice, in the case of ABR Loans, Local Rate Loans and Acceptances and (B) the last day of the Interest Period then in effect with respect thereto, in the case of Eurocurrency Loans, and (ii) such other date upon which such Local Fronting Lender, the Company and the relevant Local Borrowing Subsidiary otherwise agree). From and after the date upon which all such Local Loans and Acceptances are repaid (together with accrued interest and other amounts owing to such Local Fronting Lender on account thereof), such Local Fronting Lender shall cease to be a "*Local Fronting Lender*" with respect to such Permitted Foreign Currency.

111. In the event that the Local Fronting Lender with respect to any Permitted Foreign Currency shall cease to serve as such pursuant to **Section 2.29(a)** or **(b)**, the Company (on its own behalf and as agent of the relevant Local Borrowing Subsidiary) may designate another Local Fronting Lender reasonably acceptable to the Administrative Agent to serve as "*Local Fronting Lender*" with respect to such Permitted Foreign Currency; ***provided***, ***however***, that no Revolving Lender or affiliate thereof shall be so designated without its agreement (in its sole discretion) to serve as the "*Local Fronting Lender*" with respect to such Permitted Foreign Currency hereunder. Upon any such designation and, in the case that the newly-designated Local Fronting Lender is not already a Local Fronting Lender hereunder, the receipt by the Administrative Agent of a Local Fronting Lender Joinder Agreement, duly executed and delivered by such designated Local Fronting Lender, such Revolving Lender or its affiliate, as the case may be, shall be deemed to be the "*Local Fronting Lender*" with respect to such Permitted Foreign Currency for all purposes under this Agreement and the other Loan Documents.

112. During any period when no substitute Local Fronting Lender has been duly appointed in accordance with the terms of this **Section 2.29**, the right of the Borrowers to borrower in such Permitted Foreign Currency shall be suspended in the applicable jurisdiction.

**ga. Local Fronting Lender Reports**

. Each Local Fronting Lender shall deliver to the Administrative Agent on the first Business Day of each calendar week and on the first Business Day of each calendar month (and at any time and from time to time when the Administrative Agent may so request) a statement, substantially in the form of **Exhibit O-1**, showing (i) the aggregate principal amount of Local Loans in the relevant Permitted Foreign Currency outstanding from such Local Fronting Lender as of the close of business on each Business Day during the prior week (or portion thereof), (ii) the aggregate principal amount of Local Loans in Dollars outstanding from such Local Fronting Lender as of the close of business on each Business Day during the prior week (or portion thereof), (iii) the aggregate undiscounted face amount of Acceptances outstanding from such Local Fronting Lender as of the close of business on each Business Day during the prior week (or portion thereof) and (iv) such other matters as are contained therein. The Administrative Agent hereby agrees to deliver a copy of each such statement to the Company promptly following its receipt thereof and of any such statement to any Revolving Lender promptly upon its request therefor.

**gb. Bankers' Acceptances.**

113. Notwithstanding anything to the contrary contained herein, any Local Fronting Lender may agree (in its sole discretion from time to time) to create bankers' acceptances under its Currency Sublimit by way of the acceptance and discount of Drafts (the "***Acceptances***") pursuant to this **Section 2.31**; ***provided***, ***however***, that no Local Fronting Lender shall have any obligation to create and/or discount Acceptances, regardless of any prior practice of doing so for the account of such Local Borrowing Subsidiary. Any Acceptances created pursuant to this **Section 2.31** shall be denominated in the Permitted Foreign Currency for the relevant Local Fronting Lender (and not in Dollars), and shall be for such tenor and in such amount as may be mutually agreed upon by the relevant Local Fronting Lender and Local Borrowing Subsidiary; ***provided***, ***however***, that in no event shall any Acceptance mature after the date which is 30 days prior to the Revolving Termination Date with respect to the Tranche A Revolving Facility (or such later date as the applicable Local Fronting Lender may agree in its sole discretion).

114. Unless the relevant Local Borrowing Subsidiary and Local Fronting Lender otherwise agree, the relevant Local Borrowing Subsidiary shall give to the relevant Local Fronting Lender not less than two Business Days' prior written notice of its intent to borrow by way of Acceptances from any Local Fronting Lender which has agreed to accept and discount Drafts for the account of such Local Borrowing Subsidiary, which notice shall be accompanied by (i) a Draft which has been completed, executed and delivered by a duly authorized officer of such Local Borrowing Subsidiary and (ii) such other documents, instruments and certificates as such Local Fronting Lender reasonably may request; ***provided***, ***however***, that, after giving effect to the creation of such Acceptance, the Local Outstandings owing to such Local Fronting Lender shall not exceed the amount equal to its Currency Sublimit then in effect. On the requested borrowing date, the relevant Local Fronting Lender will accept such Draft and discount such accepted Draft in accordance with the provisions of **Section 2.31(c)**.

115. Any Local Fronting Lender may, in its sole discretion, elect to discount Drafts of the relevant Local Borrowing Subsidiary on the date upon which such Local Fronting Lender accepts such Drafts by discounting such Draft at the rate per annum equal to the Local Rate (which may be a different rate than the Local Rate then payable on account of Local Loans in such Permitted Foreign Currency) then in effect ***plus*** the Applicable Margin then in effect for Local Rate Loans; ***provided***, ***however***, that, unless the relevant Local Fronting Lender and Local Borrowing Subsidiary otherwise agree, such discount shall be calculated by, ***first***, discounting the aggregate face amount of such Draft at the rate per annum equal to the Local Rate then in effect and, ***second***, discounting the result thereof at the rate per annum equal to the Applicable Margin then in effect for Local Rate Loans. Promptly following such

discounting (and, in any event, on the date thereof), such Local Fronting Lender shall make available to such Local Borrowing Subsidiary the amount equal to the discounted face amount of such Draft in the manner in which such Local Fronting Lender makes available Local Loans pursuant to **Section 2.5(b)**.

116. Each Local Borrowing Subsidiary hereby unconditionally agrees to pay to the relevant Local Fronting Lender the aggregate, undiscounted face amount of each Draft accepted by such Local Fronting Lender hereunder on the maturity date thereof (or on such earlier date upon which the obligations of such Local Borrowing Subsidiary under this Agreement shall become or shall have been declared due and payable pursuant to the terms and conditions of this Agreement). Interest shall accrue on any amount owing pursuant to this **Section 2.31(d)** which is not paid when due (whether by scheduled maturity, mandatory prepayment, acceleration or otherwise) from the date such amount becomes due until paid in full at a fluctuating rate per annum equal to the rate which would then be payable on any overdue Local Rate Loans and shall be payable by such Local Borrowing Subsidiary upon demand by such Local Fronting Lender.

117. Each Tranche A Revolving Lender hereby unconditionally and irrevocably agrees to purchase undivided participating interests in the Acceptances created by each Local Fronting Lender in accordance with the provisions of **Section 2.32**.

118. Notwithstanding anything to the contrary contained herein, the indefeasible prepayment by the relevant Local Borrowing Subsidiary to the relevant Local Fronting Lender of all or a portion of any outstanding Acceptance shall be deemed to constitute a prepayment of such portion of such Acceptance for all purposes hereunder, regardless of whether the relevant Local Fronting Lender has distributed such amount to the holder of the underlying Draft.

**gc. Currency Conversion and Contingent Funding Agreement.**

119. Each Tranche A Revolving Lender hereby unconditionally and irrevocably agrees to purchase (in Dollars) an undivided participating interest in its ratable share of such Local Loans and Acceptances made by such Local Fronting Lenders as the Administrative Agent may at any time request; ***provided***, ***however***, that:

xlvi. the Administrative Agent hereby agrees that, it will not request any such purchase of participating interests unless a Liquidity Event Period has commenced and is continuing or a Default or an Event of Default has occurred and is continuing;

xlvii. the Administrative Agent hereby agrees that it promptly will request that the Tranche A Revolving Lenders purchase such participating interest in all Local Loans and Acceptances made by any Local Fronting Lender which provides to the Administrative Agent a written certification that an Event of Default described in **Section 8.1(a)** is continuing with respect to the Local Loans or Acceptances made by such Local Fronting Lender and requesting that such request be made by the Administrative Agent; and

xlviii. in the event that any of the events specified in **clauses (i)**, **(ii)** or **(iii)** of **Section 8.1(f)** shall have occurred with respect to any Local Borrower, each Tranche A Revolving Lender shall be deemed to have purchased, automatically and without request, such participating interest in the Local Loans and Acceptances made to such Local Borrower.

Any such request by the Administrative Agent shall be made in writing to each Tranche A Revolving Lender and shall specify the amount of Dollars (based upon the actual exchange rate at which the

Administrative Agent anticipates being able to obtain the relevant Permitted Foreign Currency, with any excess payment being refunded to the Tranche A Revolving Lenders and any deficiency remaining payable by the Tranche A Revolving Lenders) required from such Tranche A Revolving Lender in order to effect the purchase by such Tranche A Revolving Lender of a participating interest in the amount equal to its Tranche A Revolving Percentage multiplied by the aggregate then outstanding principal amount (in the Permitted Foreign Currency) of the relevant Local Loans and Acceptances (together with accrued interest thereon and other amounts owing in connection therewith) in such Permitted Foreign Currency. Promptly upon receipt of such request, each Tranche A Revolving Lender shall deliver to the Administrative Agent (in immediately available funds) the amount so specified by the Administrative Agent. The Administrative Agent shall convert such amounts into the relevant Permitted Foreign Currency and shall promptly deliver the proceeds of such conversion to the relevant Local Fronting Lender in immediately available funds. From and after such purchase, (i) the outstanding Local Loans and Acceptances in which the Tranche A Revolving Lenders have purchased such participations shall be deemed to have been converted into Tranche A Revolving Loans that are ABR Loans denominated in Dollars (with such conversion constituting, for purposes of **Section 2.21**, a prepayment of such Local Loans and Acceptances before the last day of the Interest Period with respect thereto), (ii) any further Local Loans to be made to such Borrower shall be made in Dollars, with each Tranche A Revolving Lender purchasing a participating interest therein in the manner described in the foregoing provisions of this **Section 2.32(a)** immediately upon the making thereof in the amount equal to such Tranche A Revolving Lender's Tranche A Revolving Percentage thereof (with the Administrative Agent hereby agreeing to provide prompt notice to each such Tranche A Revolving Lender of its receipt from the relevant Local Fronting Lender of a notice of borrowing and of making the relevant Local Loan), (iii) no further Acceptances shall be created for the account of such Local Borrowing Subsidiary, (iv) all amounts from time to time accruing, and all amounts from time to time payable, on account of such Local Loans and Acceptances (including, without limitation, any interest and other amounts which were accrued but unpaid on the date of such purchase) shall be payable in Dollars as if such Local Loan or Acceptance, as the case may be, had originally been made in Dollars and shall (other than with respect to the portion of the Applicable Margin which, pursuant to **Section 2.15**, is expressly stated to be paid for the account of the Local Fronting Lender) be distributed by the relevant Local Fronting Lender to the Administrative Agent, for the accounts of the Tranche A Revolving Lenders, on account of such participating interests. Notwithstanding anything to the contrary contained in this **Section 2.32**, the failure of any Tranche A Revolving Lender to purchase its participating interest in any Local Loan or Acceptance shall not relieve any other Tranche A Revolving Lender of its obligation hereunder to purchase its participating interest in a timely manner, but no Tranche A Revolving Lender shall be responsible for the failure of any other Tranche A Revolving Lender to purchase the participating interest to be purchased by such other Tranche A Revolving Lender on any date.

120. If any amount required to be paid by any Tranche A Revolving Lender pursuant to **Section 2.32(a)** is paid to the Administrative Agent within three Business Days following the date upon which such Tranche A Revolving Lender receives notice from the Administrative Agent that the Local Loan or Acceptance in which such Tranche A Revolving Lender has purchased a participating interest has been made or created (as the case may be), such Tranche A Revolving Lender shall pay to the Administrative Agent on demand an amount equal to the product of such amount, times the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to the Administrative Agent, times a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any such amount required to be paid by any Tranche A Revolving Lender pursuant to **Section 2.32(a)** is not in fact made available to the Administrative Agent within three Business Days following the date upon which such Tranche A Revolving Lender receives notice from the Administrative Agent

that the Local Loan or Acceptance in which such Tranche A Revolving Lender has purchased a participating interest has been made or created (as the case may be), the Administrative Agent shall be entitled to recover from such Tranche A Revolving Lender, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to Tranche A Revolving Loans that are ABR Loans hereunder. A certificate of the Administrative Agent submitted to any Tranche A Revolving Lender with respect to any amounts owing under this **Section 2.32(b)** shall be conclusive in the absence of manifest error. Amounts payable by any Tranche A Revolving Lender pursuant to this **Section 2.32(b)** shall be paid to the Administrative Agent, for the account of the relevant Local Fronting Lender; ***provided***, ***however***, that, if the Administrative Agent (in its sole discretion) has elected to fund on behalf of such Tranche A Revolving Lender the amounts owing to such Local Fronting Lender, then the amounts shall be paid to the Administrative Agent, for its own account.

121. Whenever, at any time after the relevant Local Fronting Lender has received from any Tranche A Revolving Lender such Tranche A Revolving Lender's participating interest in a Local Loan or Acceptance pursuant to **clause(a)** above, the Local Fronting Lender receives any payment on account thereof, such Local Fronting Lender will distribute to the Administrative Agent, for the account of such Tranche A Revolving Lender, such Tranche A Revolving Lender's participating interest in such amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Tranche A Revolving Lender's participating interest was outstanding) in like funds as received; ***provided***, ***however***, that in the event that such payment received by such Local Fronting Lender is required to be returned, such Tranche A Revolving Lender will return to such Local Fronting Lender any portion thereof previously distributed by such Local Fronting Lender to such Tranche A Revolving Lender in like funds as such payment is required to be returned by such Local Fronting Lender.

Each Tranche A Revolving Lender's obligation to purchase participating interests pursuant to **clause (a)** above shall be absolute and unconditional and shall not be affected by any circumstance, including, without limitation, (a) any set-off, counterclaim, recoupment, defense or other right which such Tranche A Revolving Lender may have against the relevant Local Fronting Lender, the relevant Local Borrower or any other Person for any reason whatsoever; (b) the occurrence or continuance of a Default or an Event of Default; (c) any adverse change in the condition (financial or otherwise) of the relevant Local Borrower or any other Person; (d) any breach of this Agreement by the relevant Local Borrower, any other Local Borrower or any other Lender; or (e) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing; ***provided***, ***however***, that no Tranche A Revolving Lender shall be obligated to purchase participating interests in any Local Loans made by a Local Fronting Lender to the extent that such Local Loans (at the time when made) caused the amount of Local Loans outstanding from such Local Fronting Lender to be in excess of the Currency Sublimit then in effect with respect to such Local Fronting Lender.

**gd. Protective Advances.**

122. Subject to the limitations set forth in the definition of Protective Advances, the Administrative Agent may make Protective Advances. The Protective Advances shall constitute Obligations for all purposes hereof and the other Loan Documents. All Protective Advances shall be ABR Loans subject to the Applicable Margin applicable to the Tranche A Revolving Loans. At any time that Availability exceeds Revolving Extensions of Credit then outstanding, the Administrative Agent may request the Tranche A Revolving Lenders to make a Tranche A Revolving Loan, in Dollars, to repay such Protective Advance. At any other time the Administrative Agent may require the Tranche A Revolving Lenders to fund, in Dollars, their risk participations described in **Section 2.33(b)**. The Administrative Agent shall endeavor to notify the Borrower promptly after the making of any Protective Advance.

123. Upon the making of a Protective Advance by the Administrative Agent in accordance with the terms hereof, each Tranche A Revolving Lender shall be deemed, without further action by any party hereto, to have unconditionally and irrevocably purchased from the Administrative Agent, without recourse or warranty, an undivided interest and participation in the applicable Protective Advance, in proportion to its Protective Advances Percentage of such Protective Advance. From and after the date, if any, on which any Tranche A Revolving Lender is required to fund its participation in any Protective Advance purchased hereunder, the Administrative Agent shall promptly distribute to such Tranche A Revolving Lender such Tranche A Revolving Lender's Protective Advances Percentage of all payments of principal and interest and all proceeds of Collateral received by the Administrative Agent in respect of such Protective Advance.

ge. **MIRE Events.**

Each of the parties hereto acknowledges and agrees that each MIRE Event after the Amendment No. 1 Effective Date shall be subject to (and conditioned upon): (1) the delivery to the Collateral Agent of all flood hazard determination certifications, acknowledgements and evidence of flood insurance and other flood-related documentation with respect to Mortgaged Properties or any Real Property that will become Mortgaged Property at such time as required by Flood Insurance Laws and as otherwise reasonably required by the Collateral Agent and (2) the Collateral Agent shall have confirmed that all reasonable flood insurance due diligence with respect to the information delivered pursuant to **clause (1)** has been completed to the reasonable satisfaction of the Collateral Agent and the Lenders (such confirmation not to be unreasonably withheld, conditioned or delayed); ***provided***, that the condition in this **clause (2)** shall be deemed satisfied unless the Collateral Agent provides the Borrower with written notice to the contrary within 20 Business Days (or such shorter period agreed to by the Collateral Agent in its reasonable discretion) after the Borrower or the applicable Loan Party has complied with **clause (1)** above.

Promptly upon a Responsible Officer of the Borrower obtaining knowledge thereof, the Borrower shall give notice to the Administrative Agent of any special flood hazard area status and flood disaster assistance executed by Holdings, the Borrower and any applicable Loan Party.

**Section III.**

**LETTERS OF CREDIT**

**gf. L/C Commitment.**

124. Subject to the terms and conditions hereof, each Issuing Lender, in reliance on the agreements of the other Tranche A Revolving Lenders set forth in **Section 3.4(a)**, may (in such Issuing Lender's sole discretion), in the case of each Issuing Lender on the Closing Date in its capacity as the issuer of Existing Letters of Credit, continue under this Agreement for the account of the Borrower or a Restricted Subsidiary, as applicable, such Existing Letters of Credit until the expiration or earlier termination thereof, and, in the case of each other Issuing Lender may (in such Issue Lender's sole discretion) issue Letters of Credit under the Revolving Commitments for the account of the Borrower or any of its Restricted Subsidiaries on any Business Day during the Revolving Commitment Period with respect to the Tranche A Revolving Facility in such form as may be approved from time to time by such Issuing Lender; ***provided***, that no Issuing Lender shall have any obligation to issue any Letter of Credit if, after giving effect to such issuance, such Letter of Credit is not Cash Collateralized in an amount equal to 103% (or if not denominated in Dollars, 110%) of the face amount of such Letter of Credit (it being understood that, upon notice to the Administrative Agent, an Issuing Lender may apply any Cash

Collateral posted in respect of a Letter of Credit against any drawing thereof and such Cash Collateral shall be available only to such Issuing Lender so long as such Letter of Credit remains outstanding and, upon the drawing a Letter of Credit and satisfaction thereof from such Cash Collateral (and any related amounts), any remaining Cash Collateral shall be available to each other Secured Party). Each Letter of Credit shall (i) be denominated in Dollars or any Permitted Foreign Currency and (ii) expire no later than the earlier of (x) the first anniversary of its date of issuance and (y) the date that is three Business Days prior to the Revolving Termination Date with respect to the Tranche A Revolving Facility (unless Cash Collateralized or the applicable Issuing Lender so agrees); ***provided***, that any Letter of Credit with a one-year term may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in **clause (y)** above). As of the Amendment No. 7 Amendment Date, all Letters of Credit are Cash Collateralized in an amount equal to at least 103% (or if not denominated in dollars, 110%) of the face amount thereof.

125. No Issuing Lender shall at any time be obligated to issue any Letter of Credit if such issuance would (i) conflict with, or cause such Issuing Lender to exceed any limits imposed by, any applicable Requirement of Law, or if such Requirement of Law would impose upon such Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date and is not otherwise reimbursable to it by the Borrower hereunder and which such Issuing Lender in good faith deems material to it or (ii) violate one or more policies of such Issuing Lender applicable generally to the issuance of letters of credit for the account of similarly situated borrowers.

**gg. Procedure for Issuance of Letter of Credit**

. The Borrower may from time to time request that the relevant Issuing Lender issue a Letter of Credit (or amend, renew or extend an outstanding Letter of Credit) by delivering to such Issuing Lender at its address for notices specified to the Borrower by such Issuing Lender an Application therefor, with a copy to the Administrative Agent, completed to the reasonable satisfaction of such Issuing Lender, and such other certificates, documents and other papers and information as such Issuing Lender may reasonably request. Such Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the relevant Issuing Lender, by personal delivery or by any other means acceptable to the relevant Issuing Lender. Upon receipt of any Application, the relevant Issuing Lender will process such Application and the certificates, documents and other papers and information delivered to it in connection therewith in accordance with its customary procedures and shall promptly issue (or amend, renew or extend, as the case may be) the Letter of Credit requested thereby (but in no event without the consent of the applicable Issuing Lender shall any Issuing Lender be required to issue (or amend, renew or extend, as the case may be) any Letter of Credit earlier than three Business Days after its receipt of the Application therefor and all such other certificates, documents and other papers and information relating thereto) by issuing the original of such Letter of Credit (or such amendment, renewal or extension, as the case may be) to the beneficiary thereof or as otherwise may be agreed to by such Issuing Lender and the Borrower. Such Issuing Lender shall furnish a copy of such Letter of Credit to the Borrower promptly following the issuance (or such amendment, renewal or extension, as the case may be) thereof. Each Issuing Lender shall promptly furnish to the Administrative Agent, which shall in turn promptly furnish to the relevant Tranche A Revolving Lenders, notice of the issuance (or such amendment, renewal or extension, as the case may be) of each Letter of Credit issued by it (including the amount thereof).

**gh. Fees and Other Charges.**

126. The Borrower will pay a fee, in Dollars, on each outstanding Letter of Credit requested by it, at a per annum rate equal to the Applicable Margin then in effect with respect to Eurocurrency Loans under the applicable Facilities, on the Dollar Equivalent of the face amount of such Letter of Credit, which fee shall be shared ratably among the applicable Tranche A Revolving Lenders and payable quarterly in arrears on each Fee Payment Date after the issuance date; ***provided***, that, with respect to any Defaulting Lender, such Lender's ratable share of any letter of credit fee accrued on the aggregate amount available to be drawn on any outstanding Letters of Credit during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by the Borrower so long as such Lender shall be a Defaulting Lender except to the extent that such Lender's ratable share of any letter of credit fee shall otherwise have been due and payable by the Borrower prior to such time; ***provided***, ***further***, that any Defaulting Lender's ratable share of any letter of credit fee accrued on the aggregate amount available to be drawn on any outstanding Letters of Credit shall accrue (x) for the account of each Non-Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit which has been reallocated to such Non-Defaulting Lender pursuant to **Section 3.4(d)**, (y) for the account of the Borrower with respect to any L/C Shortfall if the Borrower has paid to the Administrative Agent an amount of cash and/or Cash Equivalents equal to the amount of the L/C Shortfall to be held as security for all obligations of the Borrower to the applicable Issuing Lenders hereunder in a Cash Collateral Account, or (z) for the account of the applicable Issuing Lenders, in any other instance, in each case so long as such Lender shall be a Defaulting Lender. In addition, the Borrower shall pay to each Issuing Lender for its own account a fronting fee, in Dollars, on the Dollar Equivalent of the aggregate face amount of all outstanding Letters of Credit issued by it to the Borrower, equal to the L/C Fronting Fee Rate, payable quarterly in arrears on each Fee Payment Date after the issuance date (the "***L/C Fronting Fee***").

127. In addition to the foregoing fees, the Borrower shall pay or reimburse each Issuing Lender for standard costs and expenses agreed by the Borrower and such Issuing Lender in issuing, negotiating, effecting payment under, amending or otherwise administering any Letter of Credit requested by the Borrower.

**gi. L/C Participations.**

128. Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce such Issuing Lender to issue Letters of Credit, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from such Issuing Lender, on the terms and conditions set forth below, for such L/C Participant's own account and risk an undivided interest equal to such L/C Participant's Tranche A Revolving Percentage in such Issuing Lender's obligations and rights under and in respect of each Letter of Credit issued by it (including each Existing Letter of Credit) and the amount of each draft paid by such Issuing Lender thereunder. Each L/C Participant agrees with each Issuing Lender that, if a draft is paid under any Letter of Credit issued by it for which such Issuing Lender is not reimbursed in full by the Borrower in accordance with the terms of this Agreement, such L/C Participant shall pay, in Dollars, to the Administrative Agent for the account of such Issuing Lender upon demand an amount equal to such L/C Participant's Tranche A Revolving Percentage of the Dollar Equivalent of the amount of such draft, or any part thereof, that is not so reimbursed ("***L/C Disbursements***"); ***provided***, that nothing in this paragraph shall relieve the Issuing Lender of any liability resulting from the gross negligence or willful misconduct of the Issuing Lender (as determined by a final non-appealable judgment of a court of competent jurisdiction). Each L/C Participant's obligation to pay such amount 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 L/C Participant may have

against any Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in **Section 5**, (iii) any adverse change in the financial condition of the Borrower, (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other L/C Participant or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

129. If any amount required to be paid by any L/C Participant to the Administrative Agent for the account of 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 is paid to the Administrative Agent for the account of such Issuing Lender within three Business Days after the date such payment is due, such L/C Participant shall pay to the Administrative Agent for the account of such Issuing Lender on demand an amount equal to the product of (i) such amount, ***times*** (ii) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required 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. If any such amount required to be paid by any L/C Participant pursuant to **Section 3.4(a)** is not made available to the Administrative Agent for the account of the relevant Issuing Lender by such L/C Participant within three Business Days after the date such payment is due, such Issuing Lender shall be entitled to recover from such L/C Participant, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans under the applicable Facilities. A certificate of the relevant Issuing Lender submitted to any relevant L/C Participant with respect to any amounts owing under this **Section 3.4** shall be presumptively correct in the absence of demonstrable error.

130. Whenever, at any time after any Issuing Lender has made payment under any Letter of Credit and has received from any L/C Participant its **pro rata** share of such payment in accordance with **Section 3.4(a)**, if the Administrative Agent receives for the account of the Issuing Lender any payment related to such Letter of Credit (whether directly from the Borrower or otherwise, including proceeds of collateral applied thereto by the Administrative Agent), or any payment of interest on account thereof, the Administrative Agent will distribute to such L/C Participant its **pro rata** share thereof; ***provided***, ***however***, that in the event that any such payment shall be required to be returned by such Issuing Lender, such L/C Participant shall return to the Administrative Agent for the account of such Issuing Lender the portion thereof previously distributed by such Issuing Lender to it.

131. Notwithstanding anything to the contrary contained in this Agreement, in the event an L/C Participant becomes a Defaulting Lender, then such Defaulting Lender's applicable Tranche A Revolving Percentage in all outstanding Letters of Credit will automatically be reallocated among the applicable L/C Participants that are Non-Defaulting Lenders **pro rata** in accordance with each Non-Defaulting Lender's applicable Tranche A Revolving Percentage (calculated without regard to the Tranche A Revolving Commitments of the Defaulting Lender), but only to the extent that such reallocation does not cause the Tranche A Revolving Extensions of Credit of any Non-Defaulting Lender to exceed the Tranche A Revolving Commitments of such Non-Defaulting Lender. If such reallocation cannot, or can only partially, be effected the Borrower shall, within five Business Days after written notice from the Administrative Agent, pay to the Administrative Agent an amount of cash and/or Cash Equivalents equal to such Defaulting Lender's applicable Tranche A Revolving Percentage (calculated as in effect immediately prior to it becoming a Defaulting Lender) of the L/C Obligations (after giving effect to any partial reallocation pursuant to the first sentence of this **Section 3.4(d)**) to be held as security for all obligations of the Borrower to the Issuing Lenders hereunder in a Cash Collateral Account. So long as

there is a Defaulting Lender, an Issuing Lender shall not be required to issue any Letter of Credit where the sum of the Non-Defaulting Lenders' applicable Tranche A Revolving Percentages of the outstanding Tranche A Revolving Loans and their participations in Letters of Credit, after giving effect to any such requested Letter of Credit would exceed (each such excess, the "***L/C Shortfall***") the aggregate applicable Tranche A Revolving Commitments of the Non-Defaulting Lenders, unless the Borrower shall pay to the Administrative Agent an amount of cash and/or Cash Equivalents equal to the amount of the L/C Shortfall, such cash and/or Cash Equivalents to be held as security for all obligations of the Borrower to the Issuing Lenders hereunder in a Cash Collateral Account.

**gj. Reimbursement Obligation of the Borrower**

. The Borrower agrees to reimburse each Issuing Lender on the Business Day following the date on which such Issuing Lender notifies the Borrower of the date and amount of a draft presented under any Letter of Credit issued or continued by such Issuing Lender at the Borrower's request (including any Letters of Credit issued for the account of a Restricted Subsidiary and the Existing Letters of Credit) and paid by such Issuing Lender for the amount of such draft so paid. Each such payment shall be made to such Issuing Lender at its address for notices specified to the Borrower in Dollars and in immediately available funds. Interest shall be payable on any such amounts from the date on which the relevant draft is paid until payment in full at a rate equal to (i) until the second Business Day next succeeding the date of the relevant notice (which notice shall be provided on the date the relevant draft is paid), the rate applicable to ABR Loans that are Tranche A Revolving Loans and (ii) thereafter, the rate set forth in **Section 2.15(c)**. In the case of any such reimbursement in Dollars with respect to a Letter of Credit denominated in a Permitted Foreign Currency, the applicable Issuing Lender shall notify the Borrower of the Dollar Equivalent of the amount of the draft so paid promptly following the determination thereof.

**gk. Obligations Absolute**

. The Borrower's obligations under this **Section 3** shall be absolute, unconditional and irrevocable under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower may have or have had against any Issuing Lender, any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees with each Issuing Lender that such Issuing Lender shall not be responsible for, and the Borrower's Reimbursement Obligations under **Section 3.5** shall not be affected by, among other things,

(i) the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact later prove to be invalid, fraudulent or forged;

(ii) 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;

(iii) any claims whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee;

(iv) any other events or circumstances that, pursuant to applicable law or the applicable customs and practices promulgated by the ICC, are not within the responsibility of such Issuing Lender;

(v) waiver by such Issuing Lender of any requirement that exists for such Issuing Lender's protection and not the protection of the Borrower or any waiver by such Issuing Lender which does not in fact materially prejudice the Borrower;

(vi) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vii) any payment made by such Issuing Lender in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the Uniform Commercial Code, the ISP or the UCP, as applicable;

(viii) any payment by such Issuing Lender under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by such Issuing Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(ix) any adverse change in the relevant exchange rates or in the availability of the relevant Permitted Foreign Currency to the Borrower or any Subsidiary or in the relevant currency markets generally; or

(x) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any Subsidiary, except, in each case, for errors, omissions, interruptions or delays resulting from the gross negligence or willful misconduct of such Issuing Lender or its employees or agents.

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, except for errors, omissions, interruptions or delays resulting from the gross negligence or willful misconduct of such Issuing Lender or its employees or agents (such gross negligence or willful misconduct, as determined by a final and non-appealable judgment of a court of competent jurisdiction). The Borrower agrees that any action taken or omitted by any Issuing Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or willful misconduct (such gross negligence or willful misconduct, as determined by a final and non-appealable judgment of a court of competent jurisdiction) and in accordance with the standards of care specified in the Uniform Commercial Code of the State of New York, shall be binding on the Borrower and shall not result in any liability of such Issuing Lender to the Borrower.

**gl. Role of the Issuing Lender**

. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the Issuing Lenders shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by a Letter of Credit) or to ascertain or inquire as to the validity, authenticity or accuracy of any such document (***provided***, that the Issuing Lenders will determine whether such documents appear on their face to be in order) or the authority of the Person executing or delivering any such document. None of the Issuing Lenders, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the Issuing Lenders shall be liable to any Lender for:

(i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Majority Facility Lenders or the Borrower, as applicable;

(ii) any action taken or omitted in the absence of gross negligence or willful misconduct (such gross negligence or willful misconduct, as determined by a final and non-appealable judgment of a court of competent jurisdiction);

(iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or related Application, or any other document, agreement and instrument entered into by such Issuing Lender and the Borrower (or any Restricted Subsidiary) or in favor of such Issuing Lender and relating to such Letter of Credit; or

(iv) any special, indirect, punitive or consequential damages.

The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; ***provided***, ***however***, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the Issuing Lenders, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the Issuing Lenders shall be liable or responsible for any of the matters described in **clauses (i)** through **(x)** of **Section 3.6**; ***provided***, ***however***, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against the relevant Issuing Lender, and such Issuing Lender may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by such Issuing Lender's willful misconduct or gross negligence or such Issuing Lender's willful failure to pay under any Letter of Credit (such gross negligence, willful misconduct or willful failure to pay, as determined by a final and non-appealable judgment of a court of competent jurisdiction) after the presentation to it by the beneficiary of a sight draft and certificate(s) and documents expressly required by and strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the Issuing Lenders may accept documents that appear on their face to be in order, without responsibility for further investigation, and ***provided*** that a Letter of Credit is issued permitting transfer then the Issuing Lenders shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. The Issuing Lenders may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("***SWIFT***") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary, as agreed to with the Borrower.

**gm. Letter of Credit Payments**

. If any draft shall be presented for payment under any Letter of Credit, the relevant Issuing Lender shall promptly notify the Borrower of the date and amount thereof. The responsibility of such Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit issued by such Issuing Lender 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 are substantially in conformity with such Letter of Credit.

**gn. Applications**

. To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of this Agreement or any other Loan Document, the provisions of this Agreement or such other Loan Document shall apply.

**go. Applicability of ISP and UCP**

. Unless otherwise expressly agreed by the applicable Issuing Lender and the Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), (a) the rules of the ISP shall apply to each standby Letter of Credit, and (b) the rules of the UCP shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the Issuing Lender shall not be responsible to the Borrower for, and the Issuing Lender's rights and remedies against the Borrower shall not be impaired by, any action or inaction of the Issuing Lender required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the applicable law or any order of a jurisdiction where the Issuing Lender or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

**gp. Designation of Issuing Lender**

. The Borrower may, at any time and from time to time, designate as Issuing Lender one or more Tranche A Revolving Lenders that agree to serve in such capacity as provided herein. The acceptance by a Tranche A Revolving Lender of an appointment as an Issuing Lender hereunder shall be evidenced by an agreement, which shall be in form and substance reasonably satisfactory to the Administrative Agent and the Borrower, executed by the Borrower, the Administrative Agent and such designated Issuing Lender, and, from and after the effective date of such agreement, (i) such Tranche A Revolving Lender shall have all the rights and obligations of an Issuing Lender under this Agreement and (ii) references herein to the term "Issuing Lender" shall be deemed to include such Tranche A Revolving Lender in its capacity as an Issuing Lender of Letters of Credit hereunder.

**Section IV.**

**REPRESENTATIONS AND WARRANTIES**

To induce the Agents and the Lenders to enter into this Agreement and to make the Loans and issue or participate in the Letters of Credit, the Borrower hereby represents and warrants (as to itself and each of its Restricted Subsidiaries) to the Agents and each Lender, which representations and warranties shall be deemed made on the Closing Date (after giving effect to the Transactions) and on the date of each borrowing of Loans or issuance, extension or renewal of a Letter of Credit hereunder that:

**gq. Financial Condition.**

132. The audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at December 31, 2013, December 31, 2014 and December 31, 2015, and the related statements of income, stockholders' equity and of cash flows for the fiscal years ended on such date, reported on by and accompanied by an unqualified report from KPMG LLP, present fairly in all material respects the financial condition of the Borrower and its consolidated Subsidiaries as at such dates and the results of their operations, their cash flows and their changes in stockholders' equity for the respective fiscal years then ended. All such financial statements, including the related schedules and notes thereto and year-end adjustments, have been prepared in accordance with GAAP (except as otherwise noted therein).

133. The audited consolidated balance sheet of the Target and its consolidated Subsidiaries as at June 30, 2013, June 30, 2014 and June 30, 2015, and the related statements of income, stockholders' equity and of cash flows for the fiscal years ended on such date, reported on by and accompanied by an unqualified report from PricewaterhouseCoopers LLP, present fairly in all material respects the financial condition of the Target and its consolidated Subsidiaries as at such dates and the results of their operations, their cash flows and their changes in stockholders' equity for the respective fiscal years then ended. All such financial statements, including the related schedules and notes thereto and year-end adjustments, have been prepared in accordance with GAAP (except as otherwise noted therein).

**gr. No Change**

. Since the Closing Date, there has been no event, development or circumstance that has had or would reasonably be expected to have a Material Adverse Effect.

**gs. Existence; Compliance with Law**

. Except as set forth in Schedule 4.3, each of the Borrower and its Restricted Subsidiaries (other than any Immaterial Subsidiaries) (a) (i) is duly organized (or incorporated), validly existing and in good standing (or, only where applicable, the equivalent status in any foreign jurisdiction) under the laws of the jurisdiction of its organization or incorporation, except in each case (other than with respect to the Borrower) to the extent such failure to do so would not reasonably be expected to have a Material Adverse Effect, (ii) has the corporate or other organizational power and authority, and the legal right, to own and operate its Property, to lease the Property it operates as lessee and to conduct the business in which it is currently engaged, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect and (iii) is duly qualified as a foreign corporation or other entity and in good standing (where such concept is relevant) under the laws of each jurisdiction where its ownership, lease or operation of Property or the conduct of its business requires such qualification except, in each case, to the extent that the failure to be so qualified or in good standing (where such concept is relevant) would not have a Material Adverse Effect and (b) is in compliance with all Requirements of Law except to the extent that any such failure to comply therewith would not reasonably be expected to have a Material Adverse Effect.

**gt. Corporate Power; Authorization; Enforceable Obligations.**

134. Each Loan Party and Local Borrowing Subsidiary has the corporate or other organizational power and authority to execute and deliver, and perform its obligations under, the Loan Documents to which it is a party and, in the case of each Borrower, to borrow or have Letters of Credit or Acceptances issued hereunder, except in each case (other than with respect to the Borrower) to the extent such failure to do so would not reasonably be expected to have a Material Adverse Effect. Each Loan Party and Local Borrowing Subsidiary has taken all necessary corporate or other action to authorize the execution and delivery of, and the performance of its obligations under, the Loan Documents to which it is a party and, in the case of each Borrower, to authorize the extensions of credit on the terms and conditions of this Agreement, except in each case (other than with respect to the Borrower) to the extent such failure to do so would not reasonably be expected to have a Material Adverse Effect.

135. No consent or authorization of, filing with, or notice to, any Governmental Authority is required to be obtained or made by any Loan Party or Local Borrowing Subsidiary for the extensions of credit hereunder or such Loan Party's or Local Borrowing Subsidiary's execution and delivery of, or performance of its obligations under, or validity or enforceability of, this Agreement or any of the other

Loan Documents to which it is party, as against or with respect to such Loan Party or Local Borrowing Subsidiary, as applicable, except (i) consents, authorizations, filings and notices described in **Schedule 4.4**, (ii) consents, authorizations, filings and notices which have been obtained or made and are in full force and effect, (iii) consents, authorizations, filings and notices the failure of which to obtain would not reasonably be expected to have a Material Adverse Effect and (iv) the filings referred to in **Section 4.17**.

136. Each Loan Document has been duly executed and delivered on behalf of each Loan Party and Local Borrowing Subsidiary that is a party thereto. Assuming the due authorization of, and execution and delivery by, the parties thereto (other than the applicable Loan Parties or Local Borrowing Subsidiary), this Agreement constitutes, and each other Loan Document upon execution and delivery by each Loan Party or Local Borrowing Subsidiary that is a party thereto will constitute, a legal, valid and binding obligation of each such Loan Party or Local Borrowing Subsidiary, as applicable, that is a party thereto, enforceable against each such Loan Party or Local Borrowing Subsidiary, as applicable, in accordance with its terms (***provided***, that, with respect to the creation and perfection of security interests with respect to the Capital Stock of Foreign Subsidiaries, only to the extent enforceability thereof is governed by the Uniform Commercial Code), except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and the implied covenants of good faith and fair dealing.

**gu. No Legal Bar**

. Assuming the consents, authorizations, filings and notices referred to in **Section 4.4(b)** are obtained or made and in full force and effect, the execution, delivery and performance of this Agreement and the other Loan Documents by the Loan Parties and Local Borrowing Subsidiaries thereto, the issuance of Letters of Credit and Acceptances, the borrowings hereunder and the use of the proceeds thereof will not (a) violate the organizational or governing documents of (i) any Borrower or (ii) except as would not reasonably be expected to have a Material Adverse Effect, any other Loan Party, (b) except as would not reasonably be expected to have a Material Adverse Effect, violate any Requirement of Law binding on Holdings, the Borrower, any of its Restricted Subsidiaries or any Local Borrowing Subsidiary, (c) except as would not reasonably be expected to have a Material Adverse Effect, violate any Contractual Obligation of Holdings, the Borrower, any of its Restricted Subsidiaries or any Local Borrowing Subsidiary or (d) except as would not have a Material Adverse Effect, result in or require the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens permitted by **Section 7.3**).

**gv. No Material Litigation**

. Except as set forth in **Schedule 4.6**, no litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened against the Borrower or any of its Restricted Subsidiaries or against any of their Properties which, taken as a whole, would reasonably be expected to have a Material Adverse Effect.

**gw. No Default**

. No Default or Event of Default has occurred and is continuing.

**gx. Ownership of Property; Liens**

. Except as set forth in **Schedule 4.8A**, each of the Borrower and its Restricted Subsidiaries has good title in fee simple to, or a valid leasehold interest in, all of its Real Property, and good title to, or a valid leasehold interest in, all of its other Property (other than Intellectual Property), in each case, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect, and none of such Property is subject to any Lien, except as permitted by the Loan Documents. **Schedule 4.8B** lists all Real Property owned in fee simple with a Fair Market Value in excess of $10,000,000 by any Loan Party as of the Closing Date.

**gy. Intellectual Property**

. Each of the Borrower and its Restricted Subsidiaries owns, or has a valid license or right to use, all Intellectual Property necessary for the conduct of its business as currently conducted free and clear of all Liens, except as permitted by the Loan Documents and except where the failure to do so would not reasonably be expected to have a Material Adverse Effect. To the Borrower's knowledge, neither the Borrower nor any of its Restricted Subsidiaries is infringing, misappropriating, diluting or otherwise violating any Intellectual Property rights of any Person in a manner that would reasonably be expected to have a Material Adverse Effect. The Borrower and its Restricted Subsidiaries take all reasonable actions that in the exercise of their reasonable business judgment should be taken to protect their Intellectual Property, including Intellectual Property that is confidential in nature, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

**gz. Taxes**

. Each of the Borrower and its Restricted Subsidiaries (a) has filed or caused to be filed all federal, state, provincial and other Tax returns that are required to be filed and (b) has paid or caused to be paid all taxes shown to be due and payable on said returns and all other taxes, fees or other charges imposed on it or on any of its Property by any Governmental Authority (other than (i) any returns or amounts that are not yet due or (ii) amounts the validity of which are currently being contested in good faith by appropriate proceedings and with respect to which any reserves required in conformity with GAAP have been provided on the books of the Borrower or such Restricted Subsidiary, as the case may be), except in each case where the failure to do so would not reasonably be expected to have a Material Adverse Effect. The Company does not intend to treat the Loans and the Letters of Credit and the related transactions contemplated hereby as being a "reportable transaction" (within the meaning of Treasury Regulation Section 1.6011-4).

**ha. Federal Regulations**

. No part of the proceeds of any Loans, and no other extensions of credit hereunder, will be used for any purpose that violates the provisions of the regulations of the Board.

**hb. ERISA.**

137. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect: (i) neither a Reportable Event nor a failure to meet the minimum funding standards (within the meaning of Section 412(a) of the Code or Section 302(a)(2) of ERISA) has occurred during the five-year period prior to the date on which this representation is made with respect to any Single Employer Plan, and each Single Employer Plan has complied with the applicable provisions of ERISA and the Code; (ii) no termination of a Single Employer Plan has occurred, and no Lien in favor of the PBGC or a Plan has arisen on the assets of the Borrower or any of its Restricted Subsidiaries, during such five-year period; the present value of all accrued benefits under each Single Employer Plan (based

on those assumptions used to fund such Plans) did not, as of the last annual valuation date prior to the date on which this representation is made or deemed made, exceed the value of the assets of such Single Employer Plan allocable to such accrued benefits; (iii) none of the Borrower or any of its Restricted Subsidiaries has had a complete or partial withdrawal from any Multiemployer Plan that has resulted or would reasonably be expected to result in a liability under ERISA; (iv) none of the Borrower or any of its Restricted Subsidiaries would become subject to any liability under ERISA if the Borrower or such Restricted Subsidiary were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made; and (v) no Multiemployer Plan is Insolvent.

138. The Borrower and its Restricted Subsidiaries have not incurred, and do not reasonably expect to incur, any liability under ERISA or the Code with respect to any plan within the meaning of Section 3(3) of ERISA which is subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA that is maintained by a Commonly Controlled Entity (other than the Borrower and its Restricted Subsidiaries) (a "***Commonly Controlled Plan***") merely by virtue of being treated as a single employer under Title IV of ERISA with the sponsor of such plan that would reasonably be likely to have a Material Adverse Effect and result in a direct obligation of the Borrower or any of its Restricted Subsidiaries to pay money.

**hc. Investment Company Act**

. No Loan Party is an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

**hd. Subsidiaries**

. The Subsidiaries listed on **Schedule 4.14** constitute all the Subsidiaries of the Borrower at the Closing Date (after giving effect to the Merger). **Schedule 4.14** sets forth as of the Closing Date the name and jurisdiction of incorporation of each Subsidiary and, as to each Subsidiary, the percentage of each class of Capital Stock owned by any Loan Party and the designation of such Subsidiary as a Restricted Subsidiary or an Unrestricted Subsidiary.

**he. Environmental Matters**

. Other than exceptions to any of the following that would not reasonably be expected to have a Material Adverse Effect, (A) none of the Borrower or any of its Restricted Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law for the operation of the Business; or (ii) has become subject to any pending or threatened Environmental Liability and (B) to Borrower's knowledge, there are no existing facts or circumstances (including any presence or Release of Materials of Environmental Concern at any Real Property or any real property formerly owned or operated by Borrower or its Subsidiaries) that are reasonably likely to give rise to any Environmental Liability of Borrower or any of its Restricted Subsidiaries.

**hf. Accuracy of Information, etc**

. As of the Closing Date, no statement or information (excluding the projections and pro forma financial information referred to below) contained in this Agreement, any other Loan Document or any certificate furnished to the Administrative Agent or the Lenders or any of them (in their capacities as such), by or on behalf of any Loan Party for use in connection with the transactions contemplated by this

Agreement or the other Loan Documents, including the Transactions, when taken as a whole, contained as of the date such statement, information or certificate was so furnished, any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not materially misleading (in the case of any of the foregoing to the extent relating to the Target on or prior to the Closing Date, to the Borrower's knowledge). As of the Closing Date, the projections and pro forma financial information contained in the materials referenced above are based upon good faith estimates and assumptions believed by management of the Borrower to be reasonable at the time made, in light of the circumstances under which they were made, it being recognized by the Agents and the Lenders that such financial information as it relates to future events is not to be viewed as fact and that actual results during the period or periods covered by such financial information may differ from the projected results set forth therein by a material amount.

**hg. Security Documents.**

139. The Guarantee and Collateral Agreement is effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral described therein (other than Excluded Collateral) of a type in which a security interest can be created under Article 9 of the UCC (including any proceeds of any such item of Collateral). The Canadian Collateral Agreement is effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral described therein (other than Excluded Collateral) of a type in which a security interest can be created under the PPSA (including any proceeds of any such item of Collateral). In the case of (i) the Pledged Securities described in the Guarantee and Collateral Agreement and the Canadian Collateral Agreement (in each case, other than Excluded Collateral), when any stock certificates or notes, as applicable, representing such Pledged Securities are delivered to the Collateral Agent (or, in the case of Pledged Securities that are Term Facility First Priority Collateral, the Designated Term Loan Agent) together with any proper indorsements executed in blank and such other actions have been taken with respect to the Pledged Securities of Foreign Subsidiaries as are required under the applicable law of the jurisdiction of organization of the applicable Foreign Subsidiary (it being understood that no such actions under applicable law of the jurisdiction of organization of the applicable Foreign Subsidiary shall be required by any Loan Document) and (ii) the other Collateral described in the Guarantee and Collateral Agreement and the Canadian Collateral Agreement (in each case, other than Excluded Collateral), when financing statements in appropriate form are filed in the offices specified on **Schedule 4.17** (or, in the case of other Collateral not in existence on the Closing Date, such other offices as may be appropriate) (which financing statements have been duly completed and executed (as applicable) and delivered to the Collateral Agent) and such other filings as are specified on **Schedule 4.17** are made (or, in the case of other Collateral not in existence on the Closing Date, such other filings as may be appropriate), the Collateral Agent shall have a fully perfected first priority Lien (or, with respect to the Term Facility First Priority Collateral, a fully perfected second priority Lien) on, and security interest in, all right, title and interest of the Loan Parties in such Collateral (including any proceeds of any item of Collateral) (to the extent a security interest in such Collateral can be perfected through the filing of such documents and financing statements in the offices specified on **Schedule 4.17** (or, in the case of other Collateral not in existence on the Closing Date, such other offices as may be appropriate) and the other filings specified on **Schedule 4.17** (or, in the case of other Collateral not in existence on the Closing Date, such other filings as may be appropriate), and through the delivery of the Pledged Securities required to be delivered on the Closing Date), as security for the Secured Obligations, in each case prior in right to the Lien of any other Person (except (i) in the case of Collateral other than Pledged Securities that comprise stock of wholly-owned Subsidiaries,

Liens permitted by **Section 7.3** and (ii) Liens having priority by operation of law) to the extent required by the Guarantee and Collateral Agreement or the Canadian Collateral Agreement, as applicable.

140. Upon the execution and delivery of any Mortgage to be executed and delivered pursuant to **Section 6.8(b)**, such Mortgage shall be effective to create in favor of the Collateral Agent for the benefit of the Secured Parties a legal, valid and enforceable Lien on the Mortgaged Property described therein and proceeds thereof, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) and the implied covenants of good faith and fair dealing; and when such Mortgage is filed in the recording office designated by the Borrower and all relevant mortgage taxes and recording charges are duly paid, such Mortgage shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the applicable Loan Party in such Mortgaged Property and the proceeds thereof, as security for the Obligations (as defined in the relevant Mortgage), in each case subject only to Liens permitted by **Section 7.3** or other encumbrances or rights permitted by the relevant Mortgage.

141. Each Security Document to which a Non-US Guarantor is a party is effective to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a legal, valid and enforceable security interest in the Collateral described therein (other than Excluded Collateral) subject to the limitations set forth in such Security Document.

**hh. Solvency**

. As of the Closing Date, the Borrower and its Subsidiaries are (on a consolidated basis), and immediately after giving effect to the Transactions will be, Solvent.

**hi. Anti-Terrorism**

. As of the Closing Date, Holdings, the Borrower and its Restricted Subsidiaries are in compliance with the USA Patriot Act, except as would not reasonably be expected to have a Material Adverse Effect.

**hj. Use of Proceeds**

. The Borrower will use the proceeds of the Loans and will request the issuance of Letters of Credit solely in compliance with **Section 6.9** of this Agreement.

**hk. Labor Matters**

. Except as, in the aggregate, would not reasonably be expected to have a Material Adverse Effect: (a) there are no strikes or other labor disputes against the Borrower or its Restricted Subsidiaries pending or, to the knowledge of the Borrower, threatened; (b) hours worked by and payment made to employees of the Borrower or its Restricted Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Requirement of Law dealing with such matters; and (c) all payments due from the Borrower or any of its Restricted Subsidiaries on account of employee health and welfare insurance have been paid or accrued as a liability on the books of the Borrower or such Restricted Subsidiary, as applicable.

**hl. Senior Indebtedness**

. The Obligations constitute senior Indebtedness in accordance with the terms of the 2024 Notes.

**hm. OFAC**

. No Loan Party, nor, to the knowledge of any Loan Party, any Related Party, (i) is currently the target of any Sanctions, (ii) is located, organized or residing in any Designated Jurisdiction, or (iii) is or has been (within the previous five years) engaged in any transaction with any Person who is now or was then the target of Sanctions or who is located, organized or residing in any Designated Jurisdiction in violation of any applicable Sanctions. No Loan, Letter of Credit or Acceptance, nor the proceeds from any Loan, Letter of Credit or Acceptance, has been used by any Loan Party or any Local Borrowing Subsidiary, directly or indirectly, to lend, contribute, provide or has otherwise been made available to fund any activity or business in any Designated Jurisdiction or to fund any activity or business of any Person located, organized or residing in any Designated Jurisdiction or who is the target of any Sanctions, or in any other manner that will, in each case, result in any violation by any party hereto (including any Lender, Joint Lead Arranger, Administrative Agent, Issuing Lender or Swingline Lender) of Sanctions.

**hn. Anti-Corruption Compliance**

. The Borrower and each of its Subsidiaries (and all Persons acting on behalf of the Borrower and each of its Subsidiaries) is in compliance with applicable Anti-Corruption Laws and has implemented and maintains in effect policies and procedures reasonably designed to facilitate continued compliance. No part of the proceeds of the Loans, Letters of Credit or Acceptances has been or will be used by the Borrower or its Subsidiaries, directly or indirectly, for any payments to any Person, governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any applicable Anti-Corruption Law.

**ho. Borrowing Base Certificate**

. At the time of delivery of each Borrowing Base Certificate, assuming that any eligibility criteria that require the approval or satisfaction of the Administrative Agent are approved by or satisfactory to the Administrative Agent, the information contained in such Borrowing Base Certificate is accurate and complete in all material respects.

**Section V.**

**CONDITIONS PRECEDENT**

**hp. Conditions to Initial Extension of Credit on the Closing Date**

. The agreement of each Lender to make the initial extension of credit requested to be made by it is subject to the satisfaction (or waiver), prior to or concurrently with the making of such extension of credit on the Closing Date, of the following conditions precedent:

142. Credit Agreement; Guarantee and Collateral Agreement. The Administrative Agent shall have received (i) this Agreement, executed and delivered by Holdings and the Borrower, (ii) the Guarantee and Collateral Agreement, executed and delivered by the Borrower and each Subsidiary Guarantor,(iii) the Holdings Guarantee and Pledge Agreement, executed and delivered by Holdings and (iv) the ABL Intercreditor Agreement, executed and delivered by Holdings, the Borrower and each Subsidiary Guarantor;

143. Representations and Warranties. All Specified Merger Agreement Representations shall be true and correct in all material respects (or if qualified by materiality, in all respects) on the Closing Date, and all Specified Representations made by any Loan Party shall be true and correct in all material respects (or if qualified by materiality, in all respects) on the Closing Date;

144. Borrowing Notice. The Administrative Agent shall have received a notice of borrowing from the Borrower with respect to the Revolving Loans to be made on the Closing Date;

145. Fees. The Administrative Agent shall have received all fees due and payable on or prior to the Closing Date in respect of the Tranche A Revolving Facility pursuant to the Fee Letter and, to the extent invoiced at least two Business Days prior to the Closing Date (or such later date as the Borrower may reasonably agree), shall have been reimbursed for all reasonable and documented out-of-pocket expenses (including the reasonable fees, charges and disbursements of Latham & Watkins LLP, counsel to the Administrative Agent) required to be reimbursed or paid by the Borrower hereunder or under any other Loan Document;

146. Legal Opinions. The Administrative Agent shall have received an executed legal opinion of (i) Paul, Weiss, Rifkind, Wharton & Garrison LLP, special New York counsel to the Loan Parties, (ii) Akerman LLP, special Florida counsel to the Loan Parties, (iii) Lubin, Olson & Niewiadomski LLP, special California counsel to the Loan Parties, (iv) in-house counsel for Holdings, and (v) in-house counsel for Elizabeth Arden, Inc., in each case, in form and substance reasonably satisfactory to the Administrative Agent;

147. Closing Certificate. The Administrative Agent shall have received a certificate of the Borrower, dated as of the Closing Date, substantially in the form of Exhibit C;

148. USA Patriot Act. The Lenders shall have received from the Borrower and each of the Loan Parties, at least 3 Business Days prior to the Closing Date, all documentation and other information reasonably requested by any Lender no less than 10 calendar days prior to the Closing Date that such Lender reasonably determines is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act;

149. Filings. Subject to the last paragraph of this **Section 5.1**, and except as set forth on Schedule 6.10, each Uniform Commercial Code financing statement and each intellectual property security agreement required by the Security Documents to be filed with the U.S. Patent and Trademark Office or the U.S. Copyright Office in order to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a first priority perfected Lien (or, with respect to the Term Facility First Priority Collateral, a fully perfected second priority Lien) on the Collateral described therein shall have been delivered to the Collateral Agent in proper form for filing;

150. Pledged Stock; Stock Powers. Subject to the last paragraph of this **Section 5.1**, and except as set forth on Schedule 6.10, the Collateral Agent (or, in the case of any Pledged Securities that are Term Facility First Priority Collateral, the Designated Term Loan Agent) shall have received the certificates, if any, representing the shares of Pledged Stock held by a Loan Party pledged pursuant to the Guarantee and Collateral Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof;

151. Solvency Certificate. The Administrative Agent shall have received a solvency certificate signed by the chief financial officer on behalf of the Borrower, substantially in the form of

Exhibit G, after giving effect to the Transactions or, at the Borrower's option, a solvency opinion from an independent investment bank or valuation firm of nationally recognized standing;

152. Refinancing. The Refinancing shall have been, or shall substantially concurrently with the Closing Date be, consummated (and the Joint Lead Arrangers shall have received reasonably satisfactory evidence thereof) and arrangements for the concurrent termination and release of all security interests in respect of, and Liens securing, the Indebtedness and other obligations thereunder created pursuant to the security documentation relating to the Existing Credit Agreements shall have been made and shall be effective;

153. Material Adverse Effect. Since June 16, 2016, there shall not have occurred any changes, events, circumstances, effects, developments, occurrences or state of facts that, individually or in the aggregate, have had or would reasonably be expected to have a Target Material Adverse Effect;

154. Merger. The Merger shall have been consummated, or substantially simultaneously with the Closing Date shall be consummated, in all material respects in accordance with the terms of the Merger Agreement, without giving effect to any modifications, amendments, consents or waivers thereto or thereunder that are material and adverse to the Lenders or the Joint Bookrunners (in each case, in their capacity as such) without the prior consent of the Joint Bookrunners (such consent not to be unreasonably withheld, delayed or conditioned); ***provided***, that any request or consent provided by Borrower or its affiliates in accordance with **clause (v)** of the definition of Company Material Adverse Effect (as defined in the Merger Agreement) that has the effect of waiving or otherwise excusing an action or omission to act that would, absent such request or consent, result in a Company Material Adverse Effect (as defined in the Merger Agreement) shall be deemed to be materially adverse to the interests of the Lenders and the Joint Bookrunners. For purposes of the foregoing condition, it is hereby understood and agreed that any reduction in the purchase price in connection with the Merger shall not be deemed to be material and adverse to the interests of the Lenders and the Joint Bookrunners;

155. Financial Statements. The Joint Bookrunners shall have received (i) audited consolidated balance sheets of each of the Borrower and the Target and related statements of income, changes in equity and cash flows of each of the Borrower and the Target for each of their respective three (3) most recently completed fiscal years ended at least 90 days before the Closing Date and (ii) unaudited consolidated balance sheets and related statements of income, changes in equity and cash flows of each of the Borrower and the Target for each subsequent fiscal quarter after the audited financial statements referred to above and ended at least 45 days before the Closing Date (other than any fiscal fourth quarter);

156. Pro Forma Financial Statements. The Joint Bookrunners shall have received a pro forma consolidated balance sheet and related pro forma consolidated statement of income of the Borrower and its Subsidiaries (based on the financial statements of the Borrower and the Target referred to in **clause (n)** above) as of and for the twelve-month period ending on the last day of the most recently completed four-fiscal quarter period of the Borrower ended at least 45 days prior to the Closing Date (or, if the most recently completed fiscal period of the Borrower is the end of a fiscal year, ended at least 90 days before the Closing Date), prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such consolidated statement of income), which need not be prepared in compliance with Regulation S-X of the Securities Act, as amended, or include adjustments for purchase accounting; and

157. Lien Searches. The Collateral Agent shall have received the results of a recent lien search in each of the jurisdictions in which Uniform Commercial Code financing statements will be made

to evidence or perfect security interests required to be evidenced or perfected, and such search shall reveal no liens on any of the assets of the Loan Parties, except for Liens permitted by **Section 7.3** or liens to be discharged on or prior to the Closing Date.

Each of the requirements set forth in **clauses (h)** and **(i)** above (except (a) to the extent that a Lien on such Collateral may under applicable law be perfected on the Closing Date by the filing of financing statements under the Uniform Commercial Code, (b) the delivery of stock certificates of the Borrower and its wholly-owned Domestic Subsidiaries (including Guarantors but other than (x) Immaterial Subsidiaries and (y) Subsidiaries of the Target to the extent stock certificates issued by such entities are not delivered to the Borrower on the Closing Date) to the extent included in the Collateral, with respect to which a Lien may be perfected on the Closing Date by the delivery of a stock certificate and (c) short-form intellectual property filings in respect of U.S. Intellectual Property of the Borrower and its Subsidiaries and, subject always to the extent expressly provided in the Merger Agreement and to the Borrower using commercially reasonable efforts to cause the filing of the same in respect thereof, the Target and its Subsidiaries, filed with the U.S. Patent and Trademark Office and the U.S. Copyright Office) shall not constitute conditions precedent under this **Section 5.1** after the Borrower's use of commercially reasonable efforts to satisfy such requirements without undue burden or expense; ***provided***, that the Borrower hereby agrees to deliver, or cause to be delivered, such documents and instruments, or take or cause to be taken such other actions, in each case, as may be required to perfect such security interests within ninety (90) days after the Closing Date (subject to extensions approved by the Administrative Agent in its reasonable discretion).

**hq. Conditions to Each Extension of Credit After Closing Date**

The agreement of each Lender to make any Loan or to issue or participate in any Letter of Credit hereunder on any date after the Closing Date is subject to the satisfaction (or waiver) of the following conditions precedent:

158. **Representations and Warranties**. Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or Material Adverse Effect), in each case on and as of such date as if made on and as of such date except to the extent that 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 (and in all respects if any such representation or warranty is already qualified by materiality or Material Adverse Effect) as of such earlier date;

159. **No Default**. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the extensions of credit requested to be made on such date;

160. **Borrowing Notice**. In the case of a borrowing of any Loans, the Administrative Agent shall have received a notice of borrowing from the Borrower in accordance with **Section 2.5** (or, in the case of a Swingline Loan, **Section 2.6**), which, in respect of any borrowing on or after January 15, 2021 in excess of $5,000,000 (or when combined with any previous borrowing on such date, exceeds $5,000,000), shall include a calculation of cash and Cash Equivalents ((x) other than Specified Excluded Cash and (y) based on closing balances on the immediately preceding Business Day) of Holdings and its Subsidiaries before and after the making of such Loan;

161. **Borrowing Base**. Commencing on and after the date on which the Borrower is first required to deliver a Borrowing Base Certificate pursuant to **Section 6.2(g)(i)**, the Borrower shall have

delivered the Borrowing Base Certificate most recently required to be delivered by **Section 6.2(g)**. After giving effect to the Loans requested to be made, the Acceptances requested to be created or the Letters of Credit requested to be issued on any such date and the use of proceeds thereof, the aggregate Revolving Extensions of Credit shall not exceed the Availability then in effect (after giving effect to any Push Down Reserve); and

162. **Anti-Cash Hoarding**. Commencing on and after the 2021 Notes Exchange Effective Date, Holdings and its Subsidiaries shall not have more than the Specified Cash Limit in cash or Cash Equivalents ((x) other than Specified Excluded Cash and (y) based on closing balances on the immediately preceding Business Day) before and after the making of such Loan or at the time of issuance, extension or renewal of such Letter of Credit.

Each borrowing of a Loan by and issuance, extension or renewal of a Letter of Credit on behalf of the Borrower hereunder after the Closing Date shall constitute a representation and warranty by the Borrower as of the date of such extension of credit that the conditions contained in this **Section 5.2** have been satisfied.

Notwithstanding anything to the contrary herein, other than in connection with Protective Advances, any condition in this **Section 5.2** may not be waived if the Loan Parties would breach **Section 7.1** after giving effect to the applicable credit extension.

**Section VI.**

**AFFIRMATIVE COVENANTS**

The Borrower (on behalf of itself and each of its Restricted Subsidiaries) hereby agrees that, from and after the Closing Date, so long as the Commitments remain in effect, any Letter of Credit remains outstanding (that has not been Cash Collateralized) or any Loan or other amount is owing to any Lender or any Agent hereunder (other than (i) contingent or indemnification obligations not then due and (ii) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations), the Borrower shall, and shall cause (except in the case of the covenants set forth in **Section 6.1**, **Section 6.2**, **Section 6.7**, **Section 6.11** and **Section 6.17**) each of its Restricted Subsidiaries to:

**hr. Financial Statements.**

Furnish to the Administrative Agent for delivery to each Lender (which may be delivered via posting on the Platform):

163. within 90 days after the end of each fiscal year of the Borrower, commencing with the fiscal year ending December 31, 2016, (i) a copy of the audited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such year and the related audited consolidated statements of income and of cash flows for such year, setting forth, commencing with the financial statements with respect to the fiscal year ending December 31, 2016, in comparative form the figures as of the end of and for the previous year, reported on without qualification, exception or explanatory paragraph as to "going concern" or arising out of the scope of the audit (other than any such exception or explanatory paragraph (but not qualification) that is expressly solely with respect to, or expressly resulting solely from, an upcoming maturity date of the Facilities or the Term Loan Agreement occurring within one year from the time such report is delivered), by KPMG LLP or other independent certified public accountants of nationally recognized standing and (ii) a management's discussion and analysis of the important operational and financial developments during such fiscal year; and

164. within 45 days after the end of each of the first three quarterly periods of each fiscal year of the Borrower, commencing with the fiscal quarter ending September 30, 2016, (i) the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such quarter and the related unaudited consolidated statements of income and of cash flows for such quarter and the portion of the fiscal year through the end of such quarter, setting forth, in comparative form the figures as of the end of and for the corresponding period in the previous year, certified by a Responsible Officer as fairly presenting in all material respects the financial condition of the Borrower and its consolidated Subsidiaries in conformity with GAAP (subject to normal year-end audit adjustments and the lack of complete footnotes) and (ii) a management's discussion and analysis of the important operational and financial developments during such fiscal quarter.

165. within 30 days after the end of each month of the Borrower, commencing with the month ending April 30, 2020,

(i) the unaudited consolidated balance sheet of the Borrower and its consolidated Subsidiaries as at the end of such month and the related unaudited consolidated statements of income and of cash flows for such month and the portion of the fiscal year through the end of such month, setting forth, in comparative form the figures as of the end of and for the corresponding period in the previous year, certified by a Responsible Officer as fairly presenting in all material respects the financial condition of the Borrower and its consolidated Subsidiaries in conformity with GAAP (subject to normal year-end audit adjustments and the lack of complete footnotes), and

(ii) a report of the Cash and Cash Equivalents of the Borrower and its consolidated Subsidiaries as of such month end.

All such financial statements shall be prepared in reasonable detail and in accordance with GAAP applied consistently throughout the periods reflected therein and with prior periods (except as disclosed therein and except in the case of the financial statements referred to in **clauses (b)** and **(c)**, for customary year-end adjustments and the absence of complete footnotes). Any financial statements or other deliverables required to be delivered pursuant to this **Section 6.1** and any financial statements or reports required to be delivered pursuant to **clause (d)** of **Section 6.2** shall be deemed to have been furnished to the Administrative Agent on the date that (i) such financial statements or deliverable (as applicable) are posted on the SEC's website at www.sec.gov or the website for Holdings and (ii) the Administrative Agent has been provided written notice of such posting.

Documents required to be delivered pursuant to this **Section 6.1** may also be delivered by posting such documents electronically with written notice of such posting to the Administrative Agent and if so posted, shall be deemed to have been delivered on the date on which such documents are posted on the Borrower's behalf on the Platform.

Notwithstanding anything to the contrary in this Agreement, during the effective period of the Securities and Exchange Commission's Order under Section 36 of the Securities Exchange Act of 1934 Modifying Exemptions from the Reporting and Proxy Delivery Requirements for Public Companies, Release No. 34-88465, as such order may be supplemented, extended or otherwise modified from time to time, the delivery of any financial statements required by this **Section 6.1** and **Section 6.2** shall be extended to match the time periods set forth therein.

**hs. Certificates; Other Information.**

Furnish to the Administrative Agent for delivery to each Lender, or, in the case of **clause (e)**, to the relevant Lender (in each case, which may be delivered via posting on the Platform):

166. [reserved];

167. concurrently with the delivery of any financial statements pursuant to **Section 6.1**, commencing with delivery of financial statements for the first period ending after the Closing Date,

xlix. a Compliance Certificate of a Responsible Officer on behalf of the Borrower

(x) stating that such Responsible Officer has obtained no knowledge of any Default or Event of Default that has occurred and is continuing except as specified in such certificate and

(y) containing information and calculations reasonably necessary for determining, on a consolidated basis, the Specified Availability Fixed Charge Coverage Ratio for the most recently ended Test Period (including, without limitation, the calculation of Consolidated EBITDA and the components thereof and a reconciliation of Consolidated EBITDA hereunder with "EBITDA" as reported by the Borrower in financial statements and other reports posted on the SEC's website or otherwise filed with the SEC); ***provided***, that the information in this **clause (y)** shall not be required to be included in such Compliance Certificate with respect to any Test Period if the ratio (expressed as a percentage) of (A) the sum of the amounts of Excess Availability (calculated as if it applied solely to the Tranche A Revolving Facility) for each day in the last fiscal quarter of such Test Period to (B) the sum of the amounts of Tranche A Availability for each such day is greater than or equal to 66-2/3% and

l. to the extent not previously disclosed to the Administrative Agent,

(x) a description of any Default or Event of Default that occurred,

(y) a description of any new Subsidiary and of any change in the name or jurisdiction of organization of any Loan Party since the date of the most recent list delivered pursuant to this clause (or, in the case of the first such list so delivered, since the Closing Date) to the extent not previously disclosed pursuant to **Section 6.8** and

(z) solely in the case of financial statements delivered pursuant to **Section 6.1(a)**, a listing of any registrations of or applications for United States Intellectual Property by any Loan Party filed since the last such report, together with a listing of any intent-to-use applications for trademarks or service marks for which a statement of use or an amendment to allege use has been filed since the last such report and, with respect to any Non-US Guarantor organized under the laws of Canada or any jurisdiction thereof, a listing of any Intellectual Property acquired by such Non-US Guarantor since the last such report which is the subject of a registration or application with the Canadian Intellectual Property Office;

168. not later than (x) 90 days after the end of each fiscal year of Holdings or (y) with respect to the fiscal year ending December 31, 2020, January 15, 2021, commencing with the fiscal year ending December 31, 2016, a consolidated forecast for the following fiscal year (including a projected

consolidated balance sheet of the Borrower and its Subsidiaries as of the end of the following fiscal year and the related consolidated statements of projected cash flow and projected income);

169. promptly after the same become publicly available, copies of all financial statements and material reports that Holdings sends to the holders of any class of its publicly traded debt securities or public equity securities (except for those provided solely to the Permitted Investors), in each case to the extent not already provided pursuant to **Section 6.1** or any other clause of this **Section 6.2**;

170. promptly, such additional financial and other information regarding the operations, business affairs and financial condition of the Borrower or any Restricted Subsidiary as the Administrative Agent (for its own account or upon the request from any Lender) may from time to time reasonably request to the extent such additional financial or other information is reasonably available to, or can be reasonably obtained by, the Borrower; ***provided***, that such requests shall not be made for the purposes set forth under **Section 6.14**, it being understood that **Section 6.14** shall govern the subject matter thereof exclusively;

171. (i) within a reasonable period following the delivery of any financial statements pursuant to **Section 6.1**, dial-in details in respect of a conference call with Lenders (which may be satisfied by a call with holders of Holdings's publicly listed debt or equity securities attended by any Lender) and during which representatives from the Borrower will be available to discuss the details of the relevant financial statements and otherwise address additional matters in a manner consistent with Holdings's past practice; and

(ii) commencing on and after the Amendment No. 6 Effective Date, on periodic intervals as may be reasonably requested by the Administrative Agent, dial-in details in respect of a conference call with the Administrative Agent during which representative from the Borrower and its advisors will be available to discuss the financial performance and liquidity of the Borrower and its Subsidiaries and otherwise address additional related matters as reasonably requested by the Administrative Agent.

172. (i) The Company may deliver from time to time a Borrowing Base Certificate, but in any event shall deliver a Borrowing Base Certificate

(A) calculated as of the last day of each four-week period commencing with the four-week period ending on the second Friday after the Amendment No. 5 Effective Date, as soon as available but in any event not later than the first Thursday (or if such Thursday is not a Business Day, Friday) after the end of such four-week period (or, if such date is not a Business Day, the next succeeding Business Day), which Borrowing Base Certificate shall include the calculation of Average Excess Revolving Availability for such four-week period, and

(B) not later than Thursday (or if Thursday is not a Business Day, Friday) after the end of the last day of each week (containing available updated figures for Eligible Receivables but not, unless otherwise available, Eligible Inventory) and

in each case, executed by a Responsible Officer of the Company

(for the avoidance of doubt, only a Borrowing Base Certificate delivered pursuant to **clause (i)(A)** above shall be required to include a calculation of Average Excess Revolving Availability).

Notwithstanding anything herein to the contrary, any Specified Disposition and any direct or indirect Disposition outside of the ordinary course of business (whether in one transaction or a series of related transactions) of assets included within the Borrowing Base, including any Intellectual Property with respect to which such Disposition would cause Inventory included in the Borrowing Base to cease to be Eligible Inventory (including, without limitation, any such Disposition by way of Restricted Payment, Investment in a Person that is not a Loan Party, any Loan Party ceasing to be a Loan Party, any transactions under **Section 7.4**, or a Disposition of Intellectual Property (including a Disposition or termination of any license to use Intellectual Property) that causes Inventory to cease to be Eligible Inventory), in each case if such assets included within the Borrowing Base and such Inventory ceasing to be Eligible Inventory, in the aggregate, constitute more than 10% of the Tranche A Borrowing Base prior to giving effect to such Disposition shall be subject to the requirement that, prior to the consummation of such Disposition, the Company shall deliver to the Administrative Agent an updated Borrowing Base Certificate demonstrating, after giving pro forma effect to such Disposition and any transactions in connection therewith (including, without limitation, any prepayment or repayment of the Loans and removal of any Inventory from the Borrowing Base that will no longer constitute Eligible Inventory),

(x) Excess Availability would not be less than the Financial Covenant Block or

(y) if such Disposition is on or after the Tranche A Revolving Discharge Date, the aggregate principal amount of the SISO Term Loans then outstanding does not exceed the Tranche A Borrowing Base.

Any such Borrowing Base Certificate shall be delivered to the Lenders.

(ii) The Company shall deliver as soon available, but in any event not later than Wednesday (or if Wednesday is not a Business Day, Thursday) after the end of the last day of each week,

q. until the delivery of region level projected cash flows required under clause (B) below, cash flow projections in form and substance (1) consistent with the cash flow projections delivered on the Amendment No. 5 Effective Date, subject to the inclusion of such modifications and additional information that the Administrative Agent may reasonably request and (2) reasonably satisfactory to the Administrative Agent; and

r. region level projected cash flows and support of Holdings, the Borrower and its Subsidiaries in substantially similar form as the region level projected cash flows delivered to the Administrative Agent on or around January 31, 2021.

(iii) After January 15, 2021, the Company shall deliver as soon as available, but in any event not later than Monday (or if Monday is not a Business Day, Tuesday) after the end of the last day of each week, the balance of cash and Cash Equivalents of Holdings, the Borrower and its Subsidiaries on a country-by-country basis, in a form reasonably acceptable to the Administrative Agent.

Notwithstanding anything to the contrary in this **Section 6.2**, (a) none of the Borrower or any of its Restricted Subsidiaries will be required to disclose any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which

disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited or restricted by Requirements of Law or any binding agreement or obligation, (iii) is subject to attorney-client or similar privilege or constitutes attorney work product or (iv) constitutes classified information and (b) unless such material is identified in writing by the Borrower as "Public" information, the Administrative Agent shall deliver such information only to "private-side" Lenders (i.e., Lenders that have affirmatively requested to receive information other than Public Information).

Documents required to be delivered pursuant to this **Section 6.2** may be delivered by posting such documents electronically with notice of such posting to the Administrative Agent and if so posted, 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 or (ii) on which such documents are posted on the Borrower's behalf on the Platform.

**ht. Payment of Taxes.**

Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its Taxes, governmental assessments and governmental charges (other than Indebtedness), except (a) where the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves required in conformity with GAAP with respect thereto have been provided on the books of the Borrower or its Restricted Subsidiaries, as the case may be, or (b) to the extent that failure to pay or satisfy such obligations would not reasonably be expected to have a Material Adverse Effect.

**hu. Conduct of Business and Maintenance of Existence, etc.; Compliance**

173. Preserve and keep in full force and effect its corporate or other existence and take all reasonable action to maintain all rights, privileges and franchises necessary in the normal conduct of its business, except, in each case, as otherwise permitted by **Section 7.4** or except to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect; and

174. comply with all Requirements of Law (including ERISA, Environmental Laws, and the USA Patriot Act) except to the extent that failure to comply therewith would not reasonably be expected to have a Material Adverse Effect; ***provided***, that with respect to Environmental Laws, none of the Borrower or any Restricted Subsidiary shall be required to undertake any remedial action required by Environmental Laws to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

**hv. Maintenance of Property; Insurance.**

175. Keep all Property useful and necessary in its business in reasonably good working order and condition, ordinary wear and tear excepted, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

176. Take all commercially reasonable steps, including in any proceeding before the United States Patent and Trademark Office or the United States Copyright Office, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the United States Intellectual Property owned by the Borrower or its Restricted Subsidiaries, including filing of applications for renewal, affidavits of use and affidavits of incontestability, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

177. Maintain insurance with financially sound and reputable insurance companies on all its Property that is necessary in, and material to, the conduct of business by the Borrower and its Restricted Subsidiaries, taken as a whole, in at least such amounts and against at least such risks as are usually insured against in the same general area by companies engaged in the same or a similar business, and use its commercially reasonable efforts to ensure that all such material insurance policies shall, to the extent customary (but in any event, not including business interruption insurance and personal injury insurance) name the Collateral Agent or, in the case of the Term Facility First Priority Collateral, the Designated Term Loan Agent, as applicable, as additional insured party or loss payee.

178. With respect to any Mortgaged Properties, if at any time the area in which the Premises (as defined in the Mortgages, if any) are located is designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), with respect to which flood insurance has been made available under Flood Insurance Laws, the applicable Loan Party (A) will promptly upon notice thereof obtain and maintain, with financially sound and reputable insurance companies (except to the extent that any insurance company insuring the Mortgaged Property of the Loan Party ceases to be financially sound and reputable after the Closing Date, in which case, such Loan Party shall promptly replace such insurance company with a financially sound and reputable insurance company), flood insurance in such reasonable total amount as the Collateral Agent may from time to time reasonably require (such amount not to exceed 100% of the full replacement cost of the improvements on such Premises), and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the Flood Insurance Laws; ***provided***, that a portion of such flood insurance may be obtained under the Flood Insurance Laws, (B) promptly upon request of the Collateral Agent or any Lender, will deliver to the Collateral Agent evidence of such compliance in form and substance reasonably acceptable to the Collateral Agent, including, without limitation, evidence of annual renewals of such insurance and (C) name the Collateral Agent as lender loss payee and mortgagee with respect to such flood insurance.

**hw. Inspection of Property; Books and Records; Discussions.**

179. Keep proper books of records and accounts in a manner to allow financial statements to be prepared in conformity with GAAP (or, with respect to Subsidiaries organized outside of the United States, the local accounting standards applicable to the relevant jurisdiction; ***provided***, that, to the extent that any such Subsidiary is permitted to prepare financial statements in accordance with different local accounting standards, such Subsidiary shall continue to apply the local accounting standard applied as of the Closing Date (as such standard may be updated or revised from time to time and, for the avoidance of doubt, with any discretions, judgments and elections afforded by such local accounting standard, including any changes in the application of such discretions, judgments and elections as such Subsidiary shall determine) except to the extent of changes between local accounting standards required by applicable law or regulation).

180. Permit representatives designated by the Administrative Agent to visit and inspect any of its properties and examine and make abstracts from any of its books and records upon reasonable notice and at such reasonable times during normal business hours (***provided***, that (i) such visits shall be limited to no more than one such visit per calendar year at each facility, (ii) such visits by the Administrative Agent shall be at the Administrative Agent's expense, except in the case of the foregoing **clauses (i)** and **(ii)** during the continuance of an Event of Default and (iii) such visits shall not be for the purposes set forth under **Section 6.14**, it being understood that **Section 6.14** shall govern discussions as set forth thereunder exclusively).

181. Permit representatives designated by the Administrative Agent to have reasonable discussions regarding the business, operations, properties and financial and other condition of the Borrower and its Restricted Subsidiaries with officers of the Borrower and its Restricted Subsidiaries upon reasonable notice and at such reasonable times during normal business hours (***provided***, that (i) a Responsible Officer of the Borrower shall be afforded the opportunity to be present during such discussions, (ii) such discussions shall be coordinated by the Administrative Agent, (iii) such discussions shall be limited to no more than once per calendar year except during the continuance of an Event of Default and (iv) such discussions shall not be for the purposes set forth under **Section 6.14**, it being understood that **Section 6.14** shall govern discussions as set forth thereunder exclusively).

182. Permit representatives of the Administrative Agent to have reasonable discussions regarding the business, operations, properties and financial and other condition of the Borrower and its Restricted Subsidiaries with its independent certified public accountants to the extent permitted by the internal policies of such independent certified public accountants upon reasonable notice and at such reasonable times during normal business hours (***provided***, that (i) a Responsible Officer of the Borrower shall be afforded the opportunity to be present during such discussions, (ii) such discussions shall be limited to no more than once per calendar year except during the continuance of an Event of Default and (iii) such discussions shall not be for the purposes set forth under **Section 6.14**, it being understood that **Section 6.14** shall govern discussions as set forth thereunder exclusively).

Notwithstanding anything to the contrary in this **Section 6.6** or **Section 6.14**, none of the Borrower or any of the Restricted Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discuss, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited or restricted by Requirements of Law or any binding agreement or obligation, (iii) is subject to attorney-client or similar privilege or constitutes attorney work product or (iv) constitutes classified information.

**hx. Notices.**

Promptly upon a Responsible Officer of the Borrower obtaining knowledge thereof, give notice to the Administrative Agent of:

183. the occurrence of any Default or Event of Default;

184. any litigation, investigation or proceeding which may exist at any time between the Borrower or any of its Restricted Subsidiaries and any other Person, that in either case, would reasonably be expected to have a Material Adverse Effect;

185. the occurrence of any Reportable Event, where there is any reasonable likelihood of the imposition of liability on any Loan Party as a result thereof that would reasonably be expected to have a Material Adverse Effect;

186. (i) the aggregate Revolving Extensions of Credit exceed the Availability then in effect as a result of a decrease therein,

(ii) (A) the aggregate Tranche A Revolving Extensions of Credit exceed the Tranche A Availability then in effect as a result of a decrease therein and

(B) the aggregate Tranche A Revolving Extension of Credit plus the aggregate outstanding principal amount of the SISO Term Loans exceeds the Tranche A Borrowing Base then in effect as a result of a decrease therein and

(iii) the aggregate principal amount of the Tranche B Term Loans exceeds the Tranche B Borrowing Base then in effect as a result of a decrease therein,

in each case, the Borrower shall comply with the terms of **Section 2.12(b)**;

187. (A) the occurrence of any "default" or "event of default" under and as defined in the BrandCo Credit Agreement (or such similar term) and (B) the termination of any BrandCo License Documents or receipt of notice of termination with respect to any BrandCo License Documents; and

188. any other development or event that has had or would reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to **Section 6.7** shall be accompanied by a statement of a Responsible Officer setting forth in reasonable detail the occurrence referred to therein and stating what action the Borrower or the relevant Restricted Subsidiary proposes to take with respect thereto.

**hy. Additional Collateral, etc.**

189. With respect to any Property (other than Excluded Collateral) located in the United States (or with respect to Property of any Non-US Guarantor, any Property (other than Excluded Collateral) located in jurisdiction of formation of such Non-US Guarantor or any other jurisdiction in which such Non-US Guarantor has previously granted a security interest to secure the Obligations, in each case to the extent required by the Security Documents to which such Non-US Guarantor is a party) having a value, individually or in the aggregate, of at least $10,000,000 acquired after the Closing Date by the Borrower or any Subsidiary Guarantor (other than (i) any interests in Real Property and any Property described in **paragraph (c)** or **paragraph (d)** of this **Section 6.8**, (ii) any Property subject to a Lien expressly permitted by **Section 7.3(g)** or **7.3(y)**, and (iii) Instruments, Certificated Securities, Securities and Chattel Paper, which are referred to in the last sentence of this **paragraph (a)**) as to which the Collateral Agent for the benefit of the Secured Parties does not have a perfected Lien, promptly (A) give notice of such Property to the Collateral Agent and execute and deliver to the Collateral Agent such amendments to the Guarantee and Collateral Agreement or such other documents as the Collateral Agent reasonably requests to grant to the Collateral Agent for the benefit of the Secured Parties a security interest in such Property and (B) take all actions reasonably requested by the Collateral Agent to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected security interest (to the extent required by the Loan Documents and with the priority required by **Section 4.17**) in such Property (with respect to Property of a type owned by the Borrower or any Subsidiary Guarantor as of the Closing Date to the extent the Collateral Agent, for the benefit of the Secured Parties, has a perfected security interest in such Property as of the Closing Date), including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be required by the Guarantee and Collateral Agreement or by law or as may be reasonably requested by the Collateral Agent. If any amount in excess of $10,000,000 payable under or in connection with any of the Collateral shall be or become evidenced by any Instrument, Certificated Security, Security or Chattel Paper (or, if more than $10,000,000 in the aggregate payable under or in connection with the Collateral shall become evidenced by Instruments, Certificated Securities, Securities or Chattel Paper), such Instrument, Certificated Security, Security or Chattel Paper shall be promptly delivered to the Collateral Agent indorsed in a manner reasonably satisfactory to the Collateral Agent to

be held as Collateral pursuant to this Agreement (or, in the case of any such Collateral that is Term Facility First Priority Collateral, delivered to the Designated Term Loan Agent).

190. With respect to any fee interest in any Material Real Property acquired after the Closing Date by the Borrower or any Subsidiary Guarantor (other than Excluded Real Property), promptly:

li. give notice of such acquisition to the Collateral Agent and, if requested by the Collateral Agent or the Borrower, execute and deliver a Mortgage (subject to liens permitted by **Section 7.3** or other encumbrances or rights permitted by the relevant Mortgage) in favor of the Collateral Agent, for the benefit of the Secured Parties, covering such Real Property (***provided***, that no Mortgage shall be obtained if the Administrative Agent reasonably determines in consultation with the Borrower that the costs of obtaining such Mortgage are excessive in relation to the value of the security to be afforded thereby);

lii. if a Mortgage has been requested with respect to Material Real Property pursuant to **clause (i)** above, then (A) if reasonably requested by the Collateral Agent, provide the Lenders with a lenders' title insurance policy with extended coverage covering such Real Property in an amount equal to the purchase price (if applicable) or the Fair Market Value of the applicable Material Real Property, as determined in good faith by the Borrower and reasonably acceptable to the Administrative Agent, as well as an ALTA survey thereof, together with a surveyor's certificate unless the title insurance policy referred to above shall not contain an exception for any matter shown by a survey (except to the extent an existing survey has been provided and specifically incorporated into such title insurance policy or if the Administrative Agent reasonably determines in consultation with the Borrower that the costs of obtaining such survey are excessive in relation to the value of the security to be afforded thereby), each in form and substance reasonably satisfactory to the Collateral Agent, and (B) comply with the requirements set forth in **Section 6.5(d)** with respect to such Material Real Property; and

liii. if reasonably requested by the Collateral Agent, deliver to the Collateral Agent customary legal opinions regarding the enforceability, due authorization, execution and delivery of the Mortgages and such other matters reasonably requested by the Collateral Agent, which opinions shall be in form and substance reasonably satisfactory to the Collateral Agent.

191. Except as otherwise contemplated by **Section 7.7(p)**, with respect to (x) any new Domestic Subsidiary that is a Non-Excluded Subsidiary created or acquired after the Closing Date (which, for the purposes of this paragraph, shall include any Subsidiary that was previously an Excluded Subsidiary that becomes a Non-Excluded Subsidiary) by the Borrower or any Subsidiary Guarantor or (y) any other Subsidiary that the Borrower elects to designate as not constituting an "Excluded Subsidiary" pursuant to **clause (y)** of the proviso to the definition thereof, promptly:

liv. give notice of such acquisition or creation to the Collateral Agent and, if requested by the Collateral Agent or the Borrower, execute and deliver to the Collateral Agent such amendments to the Guarantee and Collateral Agreement or such other documents as the Collateral Agent reasonably deems necessary to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected security interest (to the extent required by the Security Documents and with the priority required by **Section 4.17**) in the Capital Stock of such new Subsidiary that is owned by the Borrower or such Subsidiary Guarantor (as applicable);

lv.deliver to the Collateral Agent (or, in the case of Pledged Securities that are Term Facility First Priority Collateral, the Designated Term Loan Agent), the certificates, if any, representing such Capital Stock (other than Excluded Collateral), together with undated stock powers, in blank, executed and delivered by a duly authorized officer of the Borrower or such Subsidiary Guarantor (as applicable); and

lvi.cause such new Subsidiary (A) to become a party to the Guarantee and Collateral Agreement and (B) (x) to take such actions reasonably necessary to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected security interest (to the extent required by the Security Documents and with the priority required by **Section 4.17**) in the Collateral described in the Guarantee and Collateral Agreement with respect to such new Subsidiary (to the extent the Collateral Agent, for the benefit of the Secured Parties, has a perfected security interest in the same type of Collateral as of the Closing Date), including the filing of Uniform Commercial Code financing statements in such jurisdictions as may be required by the Guarantee and Collateral Agreement or by law or as may be reasonably requested by the Collateral Agent and (y) comply with the provisions of **Section 6.8(b)** with respect to any Material Real Property (other than Excluded Real Property) owned by such new Subsidiary.

Without limiting the foregoing, if (1) the aggregate Consolidated Total Assets or annual consolidated revenues of all Restricted Subsidiaries designated as "Immaterial Subsidiaries" hereunder shall at any time exceed 7.5% of Consolidated Total Assets or 5.0% of annual consolidated revenues, respectively, of the Borrower and its Restricted Subsidiaries (based on the most recent financial statements delivered pursuant to **Section 6.1** prior to such time) or (2) if any Restricted Subsidiary shall at any time cease to constitute an Immaterial Subsidiary under the definition of "Immaterial Subsidiary" (based on the most recent financial statements delivered pursuant to **Section 6.1** prior to such time), the Borrower shall promptly, (x) in the case of **clause (1)** above, rescind the designation as "Immaterial Subsidiaries" of one or more of such Restricted Subsidiaries so that, after giving effect thereto, the aggregate Consolidated Total Assets or annual consolidated revenues, as applicable, of all Restricted Subsidiaries so designated (and which designations have not been rescinded) shall not exceed 7.5% of Consolidated Total Assets or 5.0% of annual consolidated revenues, respectively, of the Borrower and its Restricted Subsidiaries (based on the most recent financial statements delivered pursuant to **Section 6.1** prior to such time), as applicable, and (y) in the case of **clauses (1)** and **(2)** above, to the extent not already effected, (A) cause each affected Restricted Subsidiary to take such actions to become a "Subsidiary Guarantor" hereunder and under the Guarantee and Collateral Agreement and execute and deliver the documents and other instruments referred to in this paragraph (c) to the extent such affected Subsidiary is not otherwise an Excluded Subsidiary and (B) cause the owner of the Capital Stock of such affected Restricted Subsidiary to take such actions to pledge such Capital Stock to the extent required by, and otherwise in accordance with, the Guarantee and Collateral Agreement and execute and deliver the documents and other instruments required hereby and thereby unless such Capital Stock otherwise constitutes Excluded Collateral.

192. Except as otherwise contemplated by **Section 7.7(p)**, with respect to any new first-tier Foreign Subsidiary created or acquired after the Closing Date by the Borrower or any Subsidiary Guarantor, promptly (i) give notice of such acquisition or creation to the Collateral Agent and, if requested by the Collateral Agent, execute and deliver to the Collateral Agent such amendments to the Guarantee and Collateral Agreement or such other documents as the Collateral Agent reasonably deems necessary or reasonably advisable in order to grant to the Collateral Agent, for the benefit of the Secured Parties, a perfected security interest (to the extent required by the Security Documents and with the priority required by **Section 4.17**) in the Capital Stock of such new Subsidiary (other than any Excluded

Collateral) that is owned by the Borrower or such Subsidiary Guarantor (as applicable) and (ii) deliver to the Collateral Agent (or, in the case of Pledged Securities that are Term Facility First Priority Collateral, the Designated Term Loan Agent) the certificates, if any, representing such Capital Stock (other than any Excluded Collateral), together with undated stock powers, in blank, executed and delivered by a duly authorized officer of the Borrower or such Subsidiary Guarantor (as applicable).

193. Notwithstanding anything in this **Section 6.8** or any Security Document to the contrary, (i) neither Holdings nor the Borrower nor any of its Restricted Subsidiaries shall be required to take any actions in order to create or perfect the security interest in the Collateral granted to the Collateral Agent for the benefit of the Secured Parties under the laws of any jurisdiction outside the United States (unless, in the case of any Non-US Guarantor, such jurisdiction is the jurisdiction of organization for such Non-US Guarantor or such Non-US Guarantor has previously granted a security interest in such jurisdiction to secure the Obligations, in each case to the extent required by the Security Documents to which such Non-US Guarantor is a party), (ii) no control agreement shall be required with respect to (x) any Excluded Account or (y) any other Deposit Accounts for which control agreements are not required under **Section 6.15** and (iii) no Liens shall be required to be pledged or created with respect to any of the following (collectively, the "***Excluded Collateral***"):

(A) (x) in the case of assets that would otherwise constitute Term Facility First Priority Collateral, any such asset at any time that does not constitute Term Facility First Priority Collateral at such time (other than in connection with the Discharge of the Term Priority Claims (as defined in the ABL Intercreditor Agreement)), (y) motor vehicles or other assets subject to certificates of title or (z) any "intent-to-use" application for registration of a trademark or service mark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, prior to the filing of a "Statement of Use" pursuant to Section 1(d) of the Lanham Act or an "Amendment to Allege Use" pursuant to Section 1(c) of the Lanham Act with respect thereto, solely to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law;

(B) any property or asset to the extent that such grant of a security interest is prohibited or effectively restricted by any applicable law (only so long as such prohibition exists) or requires a consent not obtained of any Governmental Authority pursuant to such applicable laws;

(C) any Excluded Accounts and any Excluded Equity Securities;

(D) (w) any assets owned on or acquired after the Closing Date, to the extent that, and for so long as, taking such actions would violate applicable law or regulation (after giving effect to Section 9-406(d), 9-407(a), 9-408 or 9-409 of the Uniform Commercial Code and other applicable law), (x) any assets acquired before or after the Closing Date, to the extent that and for so long as such grant would violate an enforceable contractual obligation binding on such assets that existed at the time of the acquisition thereof and was not created or made binding on such assets in contemplation or in connection with the acquisition of such assets, (y) any assets (1) owned on the Closing Date or (2) acquired after the Closing Date, in each case in this **clause (y)**, securing Indebtedness of the type permitted pursuant to **Section 7.2(c)** (or other Indebtedness permitted under **Section 7.2(d)**, **7.2(j)**, **7.2(t)** or **7.2(v)** if such Indebtedness is of the type that is contemplated by **Section 7.2(c)**) that is secured by a Lien permitted by **Section 7.3** so long as the documents governing such Lien do not permit the pledge of such assets to the Collateral Agent,

or (z) any lease, license or other agreement, any asset embodying rights, priorities or privileges granted under such leases, licenses or agreements, or any property subject to a purchase money security interest or similar arrangement to the extent that a grant of a security interest therein would violate, breach or invalidate such lease, license or agreement or purchase money arrangement or create a right of acceleration, modification, termination or cancellation in favor of any other party thereto (other than any Loan Party) after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or applicable law, other than proceeds and receivables thereof, and only for so long such prohibition exists and to the extent such prohibition was not creation in contemplation of such grant;

(E) (x) any assets to the extent a security interest in such assets could reasonably be expected to result in material adverse tax consequences (including as a result of the operation of Section 956 of the Code or any similar law or regulation in any applicable jurisdiction) as reasonably determined in good faith by the Borrower, or (y) any assets as to which the Administrative Agent and the Borrower shall reasonably determine that the costs and burdens of obtaining a security interest therein outweigh the value of the security afforded thereby;

(F) any leasehold interest in Real Property (and any Fixtures (as defined in the Guarantee and Collateral Agreement) relating thereto) and any Fixtures relating to any owned Real Property to the extent that the Collateral Agent is not otherwise entitled to a security interest with respect to such owned Real Property under the terms of this Agreement; and

(G) any owned Real Property other than Material Real Property, but in any event excluding any Excluded Real Property.

194. Notwithstanding the foregoing, to the extent any new Restricted Subsidiary is created solely for the purpose of consummating a merger transaction pursuant to an acquisition permitted by **Section 7.7**, and such new Subsidiary at no time holds any assets or liabilities other than any merger consideration contributed to it substantially contemporaneously with the closing of such merger transaction, such new Subsidiary shall not be required to take the actions set forth in **Section 6.8(c)** or **6.8(d)**, as applicable, until the respective acquisition is consummated (at which time the surviving entity of the respective merger transaction shall be required to so comply within ten Business Days (or such longer period as the Administrative Agent shall agree in its sole discretion)).

195. From time to time the Loan Parties shall execute and deliver, or cause to be executed and delivered, such additional instruments, certificates or documents, and take all such actions, as the Collateral Agent may reasonably request for the purposes implementing or effectuating the provisions of this Agreement and the other Loan Documents, or of renewing the rights of the Secured Parties with respect to the Collateral as to which the Collateral Agent, for the benefit of the Secured Parties, has a perfected Lien pursuant hereto or thereto, including, without limitation, filing any financing or continuation statements or financing statement amendments under the Uniform Commercial Code (or other similar laws, including the PPSA) in effect in any jurisdiction with respect to the security interests created thereby and providing an updated perfection certificate (or schedule thereof); ***provided***, that (i) the scope and substance of such updated perfection certificate (or schedule thereof) shall not be broader than that of the perfection certificate (or applicable schedule thereof) delivered by the Borrower on the Closing Date (after giving pro forma effect to the joinder or Disposition of any Guarantors after the Closing Date), (ii) in lieu of providing such updated perfection certificate (or schedule thereof), the Borrower may provide a certification that no changes have occurred since the most recent date on which a perfection certificate (or applicable schedule thereof) was delivered by the Borrower and (iii) no more than one such

perfection certificate (or schedule thereof) shall be required during any 12-month period beginning on the Amendment No. 1 Effective Date or any anniversary thereof; ***provided***, that the Administrative Agent may request additional information, including, an updated perfection certificate (or schedules thereof) if the Borrower or its subsidiaries consummate a material transaction permitted pursuant to **Section 7.4** or Dispose of or acquire material assets of the type identified on the perfection certificate; ***provided***, ***further***, that in no event shall the Loan Parties be required to deliver landlord lien waivers, estoppels or collateral access letters except as set forth in **Section 6.16**. Notwithstanding the foregoing, the provisions of this **Section 6.8** 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. The Administrative Agent may grant extensions of time or waivers of requirement for the creation or perfection of security interests in or the obtaining of insurance (including title insurance) or surveys with respect to particular assets (including extensions beyond the Closing Date for the perfection of security interests in the assets of the Loan Parties on such date) where it reasonably determines, in consultation with the Borrower, that perfection or obtaining of such items cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by this Agreement or the other Loan Documents.

196. Notwithstanding the foregoing, if (a) the Borrower or any Restricted Subsidiary acquires any Material Real Property (other than Excluded Real Property) or (b) the Required Lenders or Administrative Agent shall have notified the Borrower in writing that they have or it has a reasonable belief that either the Borrower or any of its Restricted Subsidiaries is in breach of its obligations under **Section 6.4** (to the extent applicable to Environmental Law or Releases of Materials of Environmental Concern), then the Borrower shall deliver within 60 days after the Required Lenders or the Administrative Agent, as applicable, requests therefor or such longer period as the Administrative Agent shall agree, at the Borrower's cost and expense, an environmental assessment report, in the case of **clause (b)** above of a scope reasonably appropriate to address the subject of the Required Lenders' or the Administrative Agent's, as applicable, reasonable belief that such a breach exists, prepared by an environmental consulting firm reasonably acceptable to the Administrative Agent, indicating the presence or absence of Materials of Environmental Concern or noncompliance with Environmental Law and the estimated cost of any compliance, response or other corrective action to address any identified Materials of Environmental Concern, to the extent required by Environmental Law, or noncompliance on such properties. Without limiting the generality of the foregoing, if the Administrative Agent reasonably determines at any time that a material risk exists that any such report will not be provided within the time referred to above, the Administrative Agent may retain an environmental consulting firm to prepare such report at the expense of the Borrower (which report would be addressed to the Borrower), and the Borrower hereby grants and agrees to cause any Subsidiary that owns or leases any property described in such request to grant the Administrative Agent, such firm and any agents or representatives thereof an irrevocable non-exclusive license, subject to the rights of tenants or necessary consent of landlords, to enter onto their respective properties to undertake such an assessment on behalf of the Borrower. By virtue of the foregoing, the Borrower does not intend to waive the attorney-client privilege with respect to any information or advice provided by the environmental consulting firm.

**hz. Use of Proceeds**

Use proceeds of (i) any Revolving Loans borrowed on the Closing Date to effect the Transactions (including, for the avoidance of doubt, to consummate the Refinancing), to pay the Transaction Costs and any excess for other general corporate purposes of the Borrower and its Subsidiaries not prohibited by this Agreement and (ii) any other Loans, Letters of Credit or Acceptances hereunder to finance Permitted

Acquisitions and Investments permitted hereunder or for other purposes of the Borrower and its Subsidiaries not prohibited by this Agreement.

**ia. Post-Closing**

Satisfy the requirements set forth on Schedule 6.10, on or before the date set forth opposite such requirements or such later date as consented to by the Administrative Agent in its reasonable discretion.

**ib. Credit Ratings**

Use commercially reasonable efforts to maintain a corporate credit rating from S&P and a corporate family rating from Moody's, in each case, with respect to the Borrower but not, in any such case, a specific rating.

**ic. Line of Business**

Continue to operate solely as a Permitted Business.

**id. Changes in Jurisdictions of Organization; Name**

Provide prompt written notice to the Collateral Agent of any change of name or change of jurisdiction of organization of any Loan Party, and deliver to the Collateral Agent all additional executed financing statements, financing statement amendments and other documents reasonably requested by the Collateral Agent to maintain the validity, perfection and priority of the security interests to the extent provided for in the Security Documents.

**ie. Appraisals and Field Examinations.**

197. The Company may and, upon request of the Administrative Agent (or if the Administrative Agent has not so requested within 5 Business Days after receipt of a written request from the Required Tranche A Revolving Lenders or the Required SISO Term Lenders, upon the request of the Required Tranche A Revolving Lenders or the Required SISO Term Lenders), shall conduct, or cause to be conducted (by professionals selected and engaged by the Administrative Agent), at its expense, and present to the Administrative Agent for approval, (i) Appraisals of the assets included in the Tranche A Borrowing Base or the Tranche B Borrowing Base and (ii) such other investigations and reviews as the Administrative Agent (or the Required Tranche A Revolving Lenders or the Required SISO Term Lenders) shall request for the purpose of determining the Tranche A Borrowing Base and the Tranche B Borrowing Base (which determination shall in each case apply jointly to the foregoing), all upon reasonable notice and at such times during normal business hours and as often as may be reasonably requested; ***provided***, ***however***, that unless a Default or Event of Default shall be continuing, the Administrative Agent and the Lenders shall not request any such Appraisal, investigation and review prior to the first anniversary of the Closing Date and shall request no more than two such Appraisals, investigations and reviews in the aggregate during any 12-month period beginning on an anniversary of the Closing Date. The Company shall furnish to the Administrative Agent any information that the Administrative Agent may reasonably request regarding the determination and calculation of the Tranche A Borrowing Base or the Tranche B Borrowing Base including correct and complete copies of any invoices, underlying agreements, instruments or other documents and the identity of all Account Debtors in respect of the Accounts referred to therein. Following the completion of any such Appraisals, investigations or reviews, the reports and results of such Appraisals, investigations or reviews shall be delivered to the Lenders.

198. The Administrative Agent may (or if the Administrative Agent has not done so within 5 Business Days after receipt of a written request from the Required Tranche A Revolving Lenders or the Required SISO Term Lenders, Required Tranche A Revolving Lenders or Required SISO Term Lenders may), at the Company's sole cost and expense, (i) make test verifications of the Accounts and physical verifications of Inventory in any manner and through any medium that the Administrative Agent (or such Lenders) reasonably consider advisable and (ii) caused to be conducted customary field examinations of the ABL Facility First Priority Collateral, and the Company shall furnish all such assistance and information as the Administrative Agent (or, if applicable, the Required Tranche A Revolving Lenders or the Required SISO Term Lenders) may reasonably require in connection therewith; provided, however, that unless a Default or Event of Default shall be continuing, the Administrative Agent and the Lenders shall not request any such verifications or customary field examinations prior to the first anniversary of the Closing Date and shall request no more than two such verifications or two such customary field examinations in the aggregate during any 12-month period beginning on an anniversary of the Closing Date. At any time and from time to time, upon the Administrative Agent's request (or if the Administrative Agent has not so requested within 5 Business Days after receipt of a written request from the Required Tranche A Revolving Lenders or the Required SISO Term Lenders, upon the request of the Required Tranche A Revolving Lenders or the Required SISO Term Lenders) and at the expense of the Company, the Company shall furnish to the Administrative Agent or such Lenders, as applicable, reports reasonably satisfactory to the Administrative Agent showing reconciliations, aging and test verifications of, and trial balances for, the Accounts; ***provided***, ***however***, that unless a Default or Event of Default shall be continuing, the Administrative Agent and the Lenders shall not request any such report prior to the first anniversary of the Closing Date and shall request no more than two such reports during any 12-month period beginning on the Closing Date or an anniversary thereof. Following the completion of any field examinations, the reports and results of such field examinations shall be delivered to the Lenders.

199. After the Amendment No. 7 Amendment Date, there shall be at least two appraisals of Inventory, one appraisal of Equipment and one appraisal of Real Property per each 12-month period, in each case, in a manner and cadence consistent with past-practices immediately prior to the Amendment No. 7 Amendment Date.

**if. Control Accounts; Approved Deposit Accounts**

From and after the date that is sixty (60) days after the Closing Date or such later date as the Administrative Agent may agree in its sole discretion (except in the case of **clause (e)** below):

200. The Company shall, and shall cause each of the Subsidiary Guarantors to, except cash or Cash Equivalents subject to a Lien permitted under **Section 7.3(c)**, **(d)**, **(g)** (solely to the extent securing Indebtedness permitted pursuant to **Section 7.2(t)** and only to the extent prohibited by the terms of the Indebtedness secured thereby), **(j)** (solely to the extent prohibited by the terms of the Indebtedness secured thereby), **(o)**, **(p)**, **(r)**, **(t)**, **(bb)**, **(kk)** and **(ee)** (with respect to the foregoing clauses), (i) deposit in an Approved Deposit Account all cash and all Proceeds (as defined in the Guarantee and Collateral Agreement) (or such similar term under and as defined in the Security Documents of a Non-US Guarantor) of any Account or General Intangible (as defined in the Guarantee and Collateral Agreement) (or such similar terms under and as defined in the Security Documents of a Non-US Guarantor) they receive from any other Person, (ii) not maintain any funds or other assets in any Securities Accounts that is not a Control Account (except as otherwise provided in **Section 7.3(ii)** of the Guarantee and Collateral Agreement) and (iii) not establish or maintain any Deposit Account other than with a Deposit Account Bank; ***provided***, ***however***, that the Company and the Subsidiary Guarantors may deposit cash into and maintain Excluded Accounts.

201. The Company shall, and shall cause each of the Subsidiary Guarantors, to instruct (or, with respect to General Intangibles, use commercially reasonable efforts to instruct) each Account Debtor with a principal place of business located in the jurisdictions permitted in **clause (f)** of the definition of "Eligible Receivables" obligated to make a payment to any of them under any Account or General Intangible to make payment, or to continue to make payment, to an Approved Deposit Account.

202. In the event (i) the Company, any Subsidiary Guarantor or any Deposit Account Bank shall, after the date hereof, terminate an agreement with respect to the maintenance of an Approved Deposit Account for any reason, (ii) the Administrative Agent shall demand such termination as a result of the failure of a Deposit Account Bank to comply in any material respect with the terms of the applicable Deposit Account Control Agreement or (iii) the Administrative Agent determines in its sole discretion exercised reasonably that the financial condition of a Deposit Account Bank has materially deteriorated, the Company shall, and shall cause each Subsidiary Guarantor to, notify all of their respective obligors that were making payments to such terminated Approved Deposit Account to make all future payments to another Approved Deposit Account.

203. In the event (i) the Company, any Subsidiary Guarantor or any Approved Securities Intermediary shall, after the date hereof, terminate an agreement with respect to the maintenance of a Control Account for any reason, (ii) the Administrative Agent shall demand such termination as a result of the failure of an Approved Securities Intermediary to comply with the terms of the applicable Securities Account Control Agreement or (iii) the Administrative Agent determines in its sole discretion exercised reasonably that the financial condition of an Approved Securities Intermediary has materially deteriorated, the Company shall, and shall cause each Subsidiary to Guarantor to, notify all of its obligors that were making payments to such terminated Control Account to make all future payments to another Control Account.

204. The Administrative Agent may establish one or more Cash Collateral Accounts with such depositaries and Securities Intermediaries as it in its sole discretion shall determine to the extent expressly contemplated in any Loan Document and shall (or direct the Collateral Agent to) apply the all funds on deposit in such Cash Collateral Account as so contemplated. Funds on deposit in any Cash Collateral Account may be invested (but the Administrative Agent shall be under no obligation to make any such investment) in Cash Equivalents at the direction of the Administrative Agent and, except during a Liquidity Event Period or the continuance of an Event of Default, the Administrative Agent agrees with the Company to direct the Collateral Agent to issue Entitlement Orders for such investments in Cash Equivalents as requested by the Company; ***provided***, ***however***, that neither the Administrative Agent nor the Collateral Agent shall have any responsibility for, or bear any risk of loss of, any such investment or income thereon.

**ig. Landlord Waiver and Bailee's Letters**

The Company shall, and shall cause each of the Subsidiary Guarantors to, use commercially reasonable efforts to deliver Landlord Waivers and Bailee's Letters pursuant to **Section 6.10** and as the Administrative Agent shall request from time to time in connection with ABL Facility First Priority Collateral included in the Tranche A Borrowing Base or the Tranche B Borrowing Base in its sole discretion exercised reasonably and in accordance with customary business practices for comparable asset-based transactions.

**ih. Tax Reporting**

Promptly after the Company determines that it intends to treat the Loans and the Letters of Credit and the related transactions contemplated hereby as a "*reportable transaction*" (within the meaning of Treasury Regulation Section 1.6011-4), the Company shall give the Administrative Agent written notice thereof and shall deliver to the Administrative Agent all U.S. Internal Revenue Service forms required in connection therewith.

**ii. Sanctions; Anti-Corruption Laws.**

The Borrower will maintain in effect policies and procedures designed to promote compliance by Holdings, the Borrower, its Subsidiaries, and their respective directors, officers, employees, and agents with applicable Sanctions and with the Anti-Corruption Law. The Borrower and each Local Borrowing Subsidiary will not, directly or indirectly, use the proceeds of the Loans or use the Letters of Credit or Acceptances (i) to lend, contribute, provide or otherwise make available such proceeds to fund any activity or business in any Designated Jurisdiction or to fund any activity or business of any Person located, organized or residing in any Designated Jurisdiction or who is the target of any Sanctions, or in any other manner, in each case, that would result in any violation by any party hereto (including any Lender, Joint Lead Arranger, Administrative Agent, Issuing Lender or Swingline Lender) of Sanctions or (ii) for any payments to any Person, governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any applicable Anti-Corruption Law.

**ij. People's Republic of China.**

The Borrower shall, and shall cause each of its Subsidiaries, to use commercially reasonable efforts to repatriate cash and Cash Equivalents located in the People's Republic of China to the extent (a) reasonably practicable under applicable law and regulation, (b) the Borrower determines (in its good faith judgment) that the amount of cash and Cash Equivalents located in the People's Republic of China at such time exceeds the amount necessary to maintain Holdings and its Subsidiaries' operations in the People's Republic of China in the ordinary course of business and (c) such repatriation does not result in material adverse tax consequences to Holdings or the Borrower or any of its Subsidiaries as reasonably determined by the Borrower.

**Section VII.**

**NEGATIVE COVENANTS**

The Borrower hereby agrees that, from and after the Closing Date, so long as the Commitments remain in effect, any Letter of Credit remains outstanding (that has not been Cash Collateralized) or any Loan or other amount is owing to any Lender or any Agent hereunder (other than (i) contingent or indemnification obligations not then due and (ii) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations), the Borrower shall not, and shall not permit any of its Restricted Subsidiaries to:

**ik. Financial Covenant.**

Unless consented to by the Required Tranche A Revolving Lenders and Required SISO Term Lenders, the Borrower shall not permit the Excess Availability to be less than

205. if the Specified Availability Fixed Charge Coverage Ratio is greater than 1.00 to 1.00 as of the last day of the most recently ended Test Period, $20,000,000 at any time or

206. if the Specified Availability Fixed Charge Coverage Ratio is equal to or less than 1.00 to 1.00 as of the last day of the most recently ended Test Period, $30,000,000 at any time

(such amount, the "***Financial Covenant Block***").

**il. Indebtedness**

Create, issue, incur, assume, or permit to exist any Indebtedness, except:

207. Indebtedness of the Borrower and any of its Restricted Subsidiaries pursuant to this Agreement and any other Loan Document and any Permitted Refinancing thereof;

208. unsecured Indebtedness of the Borrower or any of its Restricted Subsidiaries owing to the Borrower or any of its Restricted Subsidiaries, ***provided***, that any such Indebtedness owing by a non-Loan Party to a Loan Party is permitted by **Section 7.7** (other than by reference to **Section 7.2** or any clause thereof); ***provided***, ***further***, that such Indebtedness of the Borrower or any of its Restricted Subsidiaries owing to a Loan Party may be secured by Liens permitted pursuant to **Section 7.3(ff)**;

209. (i) Capital Lease Obligations, and Indebtedness of the Borrower or any of its Restricted Subsidiaries incurred to finance or reimburse the cost of the acquisition, development, construction, purchase, lease, repair, addition or improvement of any property (real or personal), equipment or other assets used or useful in a Permitted Business, whether such property, equipment or assets were originally acquired directly or as a result of the purchase of any Capital Stock of any Person owning such property, equipment or assets, in an aggregate outstanding principal amount for this **clause (i)** not to exceed the sum of (A) the greater of (x) 10.0% of Consolidated Total Assets, at the time of incurrence and (y) 10.0% of Consolidated Total Assets as of the Closing Date ***plus*** (B) $7,500,000, ***plus*** (C) for each period of twelve consecutive months after December 31, 2019, an additional $7,500,000 and

(ii) subject to the last sentence of this **Section 7.2**, Permitted Refinancings in respect of the Indebtedness incurred pursuant to **clause (c)(i)** above;

210. (i) Indebtedness outstanding or incurred pursuant to facilities outstanding on the Closing Date (after giving effect to the Transactions) or committed to be incurred as of such date and, in each case, up to the aggregate principal amounts listed on **Schedule 7.2(d)** and any Permitted Refinancing thereof and

(ii) Indebtedness incurred in connection with transactions permitted under **Section 7.10** and any Permitted Refinancing thereof;

211. Guarantee Obligations

(i) by the Borrower or any of its Restricted Subsidiaries of obligations of the Borrower or any Subsidiary Guarantor not prohibited by this Agreement to be incurred; ***provided*** that any such Subsidiary that is not a Guarantor providing such Guarantee Obligations with respect to Indebtedness of the Borrower in reliance on this **clause (e)** shall also provide a Guarantee with respect to the Obligations on a pari passu basis with the Obligations,

(ii) by the Borrower or any Subsidiary Guarantor of obligations of Holdings, any Non-Guarantor Subsidiary or joint venture or other Person that is not a Subsidiary to the extent permitted by **Section 7.7** (other than by reference to **Section 7.2** or any clause thereof),

(iii) by any Non-Guarantor Subsidiary of obligations of any other Non-Guarantor Subsidiary; and

(iv) by any Non-Guarantor Subsidiary of the obligations of any other Person that is not a Subsidiary to the extent permitted by **Section 7.7** (other than by reference to **Section 7.2** or any clause thereof);

212. Indebtedness of the Borrower or any of its Restricted Subsidiaries arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn by the Borrower or such Restricted Subsidiary in the ordinary course of business against insufficient funds, so long as such Indebtedness is promptly repaid;

213. [Reserved];

214. Indebtedness in the form of earn-outs, indemnification, incentive, non-compete, consulting, ordinary course deferred purchase price, purchase price adjustment or other similar arrangements and other contingent obligations in respect of the Transactions and other acquisitions or Investments permitted by **Section 7.7** (other than by reference to **Section 7.2** or any clause thereof) (both before or after any liability associated therewith becomes fixed), including any such obligations which may exist on the Closing Date as a result of acquisitions consummated prior to the Closing Date;

215. Indebtedness of the Borrower and any of its Restricted Subsidiaries constituting (i) Permitted Revolving Refinancing Obligations (or, solely after the occurrence of the Tranche A Revolving Discharge Date, the Permitted SISO Refinancing Obligations) and (ii) Permitted Refinancings in respect of Indebtedness incurred pursuant to the preceding **clause (i)**;

216. (i) Indebtedness of the Borrower or any other Loan Party in an aggregate principal amount (for the Borrower and such Loan Parties) not to exceed $100,000,000 at any time outstanding,

(ii) Indebtedness of the Borrower and any of its Restricted Subsidiaries under the BrandCo Credit Agreement not to exceed the aggregate principal amounts listed on Schedule 2.1 thereto as of the 2021 Notes Exchange Effective Date (being $1,833,010,391.30) and

(iii) subject to the last sentence of this **Section 7.2**, Permitted Refinancings in respect of the Indebtedness incurred pursuant to **clauses (j)(i)** and **(j)(ii)** above; ***provided*** that

(a) proceeds of Indebtedness incurred pursuant to **Section 7.2(j)(i)** and any Permitted Refinancing thereof pursuant to this Section 7.2(j)(iii) shall not be used to refinance, extend, renew, replace, modify or refund the 2024 Notes or for liability management purposes,

(b) no more than (x) $25,000,000 minus (y) the amount of secured Indebtedness incurred pursuant to **Section 7.3(ll)(ii)**, of such Indebtedness incurred pursuant to **clause (j)(i)** may be secured (1) by the ABL Facility First Priority Collateral on a junior basis with the Liens securing the Obligations and (2) by the Term Facility First Priority Collateral on a senior basis with the Liens securing the Obligations and on a pari passu basis with the Liens securing the obligations under the BrandCo Credit Agreement and

(c) to the extent secured, such Indebtedness incurred pursuant to **Section 7.2(j)(i)** and any Permitted Refinancing thereof pursuant to this **Section 7.2(j)(iii)** may only be secured pursuant to **Section 7.3(g)**;

217. (i) Indebtedness of Non-Guarantor Subsidiaries that are Foreign Subsidiaries outstanding under the Foreign Asset-Based Term Facility (as in effect on the Amendment No. 7 Effective Date),

(ii) Indebtedness of Non-Guarantor Subsidiaries that are Foreign Subsidiaries under local or bilateral credit facilities for working capital and general corporate purposes, in an aggregate principal amount, for purposes of this clause (k)(ii), not to exceed $50,000,000 at any time outstanding and

(iii) subject to the last sentence of this **Section 7.2**, Permitted Refinancings in respect of the Indebtedness incurred pursuant to **clause (k)(i)** and **clause (k)(ii)** above;

***provided*** that the aggregate principal amount of Indebtedness incurred under this **Section 7.2(k)** reduces the aggregate principal amount of Indebtedness that may be secured by Liens incurred pursuant to **Section 7.3(cc)(B)**;

218. Indebtedness of the Borrower or any of its Restricted Subsidiaries in respect of workers' compensation claims, bank guarantees, warehouse receipts or similar facilities, property casualty or liability insurance, take-or-pay obligations in supply arrangements, self-insurance obligations, performance, bid, customs, government, VAT, duty, tariff, appeal and surety bonds, completion guarantees, and other obligations of a similar nature, in each case in the ordinary course of business;

219. Indebtedness incurred by the Borrower or any of its Restricted Subsidiaries arising from agreements providing for indemnification related to sales, leases or other Dispositions of goods or adjustment of purchase price or similar obligations in any case incurred in connection with the acquisition or Disposition of any business, assets or Subsidiary;

220. Indebtedness supported by a Letter of Credit or a letter of credit issued under any revolving credit or letter of credit facility permitted by this **Section 7.2**, including in respect of unpaid reimbursement obligations relating thereto, in a principal amount not in excess of the stated amount of such Letter of Credit or letter of credit;

221. Indebtedness issued in lieu of cash payments of Restricted Payments permitted by **Section 7.6** (other than by reference to **Section 7.2** or any clause thereof);

222. Indebtedness of the Borrower or any Restricted Subsidiary under the Existing Notes Financing and (in the case of any 2024 Notes) any Permitted Refinancing thereof; provided that any Permitted Refinancing of the 2024 Notes shall only be made pursuant to this **clause (p)**;

223. Indebtedness of the Borrower or any Restricted Subsidiary as an account party in respect of trade letters of credit issued in the ordinary course of business or otherwise consistent with industry practice;

224. Indebtedness (i) owing to any insurance company in connection with the financing of any insurance premiums permitted by such insurance company in the ordinary course of business and (ii) in

the form of pension and retirement liabilities not constituting an Event of Default, to the extent constituting Indebtedness;

225. (i) Guarantee Obligations made in the ordinary course of business; ***provided***, that such Guarantee Obligations are not of Indebtedness for Borrowed Money,

(ii) Guarantee Obligations in respect of lease obligations of the Borrower and its Restricted Subsidiaries,

(iii) Guarantee Obligations in respect of Indebtedness of joint ventures; ***provided***, that the aggregate principal amount of any such Guarantee Obligations under this **sub-clause (iii)** shall not exceed the greater of (A) $25,000,000 and (B) 0.83% of Consolidated Total Assets at the time of such incurrence, at any time outstanding,

(iv) Guarantee Obligations in respect of Indebtedness permitted by **clause (r)(ii)** above and

(v) Guarantee Obligations by the Borrower or any of its Restricted Subsidiaries of any Restricted Subsidiary's purchase obligations under supplier agreements and in respect of obligations of or to customers, distributors, franchisees, lessors, licensees and sublicensees; ***provided***, that such Guarantee Obligations are not of Indebtedness for Borrowed Money;

226. (x) Indebtedness (including pursuant to any factoring arrangements) of any Person that becomes a Restricted Subsidiary or is merged with or into the Borrower or any of its Restricted Subsidiaries after the Closing Date (a "***New Subsidiary***") or that is associated with assets being purchased or otherwise acquired, in each case, as part of an acquisition, merger or consolidation or amalgamation or other Investment not prohibited hereunder; ***provided***, that (A) such Indebtedness exists at the time such Person becomes a Restricted Subsidiary or is acquired, merged, consolidated or amalgamated by, with or into the Borrower or such Restricted Subsidiary or when such assets are acquired and is not created in contemplation of or in connection with such Person becoming a Restricted Subsidiary or with such merger (except to the extent such Indebtedness refinanced other Indebtedness to facilitate such Person becoming a Restricted Subsidiary or to facilitate such merger) or such asset acquisition and (B) neither the Borrower nor any of its Restricted Subsidiaries (other than the applicable New Subsidiary and its Subsidiaries) shall provide security or any guarantee therefor and (y) Permitted Refinancings of the Indebtedness referred to in **clause (x)** of this paragraph (t);

227. Indebtedness incurred to finance any acquisition or Investment permitted under **Section 7.7** to the extent (A) unsecured at all times during the term of this Agreement and (B) in an aggregate outstanding principal amount for all such Indebtedness under this **clause (u)(i)** not to exceed the greater of (x) $50,000,000 and (y) 1.5% of Consolidated Total Assets at the time of such incurrence, at any time outstanding and (ii) subject to the last sentence of this **Section 7.2**, Permitted Refinancings in respect of the Indebtedness incurred pursuant to **clause (u)(i)** above;

228. (A) other Indebtedness of the Borrower and its Subsidiaries so long as at the time of incurrence thereof:

(a) if unsecured, after giving pro forma effect to the incurrence of such Indebtedness and the intended use of proceeds thereof determined as of the last day of the fiscal quarter most recently then ended for which financial statements have been

delivered pursuant to **Section 6.1**, the Fixed Charge Coverage Ratio of the Borrower and its Restricted Subsidiaries shall be no less than 2.00 to 1.00;

(b) if secured on a junior basis to the Term Pari Passu Obligations, after giving pro forma effect to the incurrence of such Indebtedness and the intended use of proceeds thereof determined as of the last day of the fiscal quarter most recently then ended for which financial statements have been delivered pursuant to **Section 6.1**, the Consolidated Net Secured Leverage Ratio of the Borrower and its Restricted Subsidiaries shall be no greater than 4.25 to 1.00;

(c) if secured on a pari passu basis with the Term Pari Passu Obligations, after giving pro forma effect to the incurrence of such Indebtedness and the intended use of proceeds thereof determined as of the last day of the fiscal quarter most recently then ended for which financial statements have been delivered pursuant to **Section 6.1**, the Consolidated Net First Lien Leverage Ratio of the Borrower and its Restricted Subsidiaries shall be no greater than 3.50 to 1.00;

(d) no Event of Default shall be continuing immediately after giving effect to the incurrence of such Indebtedness; and

(e) any such Indebtedness that is secured by Collateral shall be subject to the ABL Intercreditor Agreement;

***provided***, that the amount of Indebtedness which may be incurred pursuant to this paragraph (v) by Non-Guarantor Subsidiaries and any Permitted Refinancings thereof pursuant to **clause (B)** below shall not exceed, at any time outstanding $50,000,000; and

(B) Permitted Refinancings of any of the Indebtedness referred to in **clause (A)** of this paragraph (v) subject to the proviso thereof;

229. (i) Indebtedness representing deferred compensation or stock-based compensation to employees of Holdings, any Parent Company, the Borrower or any Restricted Subsidiary incurred in the ordinary course of business and (ii) Indebtedness consisting of obligations of the Borrower or any Restricted Subsidiary under deferred compensation or other similar arrangements incurred in connection with the Transactions and any Investment permitted hereunder;

230. Indebtedness issued by the Borrower or any of its Restricted Subsidiaries to the officers, directors and employees of Holdings, any Parent Company, the Borrower or any Restricted Subsidiary of the Borrower or their respective estates, trusts, family members or former spouses, in lieu of or combined with cash payments to finance the purchase of Capital Stock of Holdings, any Parent Company or the Borrower, in each case, to the extent such purchase is permitted by **Section 7.6**;

231. Indebtedness (and Guarantee Obligations in respect thereof) in respect of overdraft facilities, employee credit card programs, netting services, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;

232. (i) Indebtedness of the Borrower or any of its Restricted Subsidiaries undertaken in connection with cash management and related activities with respect to any Subsidiary or joint venture in the ordinary course of business and (ii) Indebtedness of the Borrower or any of its Restricted Subsidiaries to any joint venture (regardless of the form of legal entity) that is not a Subsidiary arising in the ordinary

course of business in connection with the cash management operations (including in respect of intercompany self-insurance arrangements);

233. (i) Indebtedness of the Borrower and any of its Restricted Subsidiaries under the Term Loan Agreement or otherwise in an aggregate outstanding principal amount not to exceed the amount outstanding thereunder as of the Amendment No. 5 Effective Date, which amount shall reduce, on a dollar-for-dollar basis, for additional amounts incurred pursuant Section 7.2(j) and Section 2.25 of the BrandCo Credit Agreement (as in effect on the Amendment No. 5 Effective Date) after the Amendment No. 5 Effective Date, and (ii) subject to the last sentence of this **Section 7.2**, Permitted Refinancings in respect of the Indebtedness incurred pursuant to **clause (aa)(i)** above;

234. Indebtedness to any Person (other than an Affiliate of the Borrower) in respect of the undrawn portion of the face amount of or unpaid reimbursement obligations in respect of letters of credit not issued hereunder for the account of the Borrower or any of its Subsidiaries in an aggregate amount at any one time outstanding not to exceed (x) $20,000,000, ***plus*** (y) an additional $30,000,000 to the extent that the amounts incurred under this **clause (y)** are offset or secured by a counterpart deposit, compensating balance or a pledge of cash deposits;

235. (i) unsecured Indebtedness of the Borrower or a Subsidiary Guarantor to Holdings, any Parent Company or any Affiliate of the Borrower, Holdings or any Parent Company in an aggregate principal amount at any time outstanding not to exceed $75,000,000; ***provided***, that (x) such Indebtedness is subordinated in right of payment of the Obligations, (y) the maturity date thereof shall not be earlier than the Latest Maturity Date in effect at the time such Indebtedness is incurred and (z) such Indebtedness shall not require the payment of cash interest prior to the Latest Maturity Date in effect at the time such Indebtedness is incurred and

(ii) subject to the last sentence of this **Section 7.2**, Permitted Refinancings in respect of the Indebtedness incurred pursuant to **clause (cc)(i)** above;

236. [reserved]; and

237. all premiums (if any), interest (including post-petition interest), fees, expenses, charges, accretion or amortization of original issue discount, accretion of interest paid in kind and additional or contingent interest on obligations described in **clauses (a)** through **(dd)** above.

To the extent that any Indebtedness incurred under **Section 7.2(c)**, **(d)**, **(i)**, **(j)(i)**, **(j)(ii)**, **(k)**, **(p)**, **(t)**, **(u)**, **(aa)** or **(cc)** is refinanced in a Permitted Refinancing under **clause (ii)** or other clause of the relevant foregoing Section, then the aggregate outstanding principal amount of such Permitted Refinancing shall be deemed to utilize the related basket under the relevant foregoing Section on a dollar for dollar basis (it being understood that a Default shall be deemed not to have occurred solely to the extent that the incurrence of a Permitted Refinancing would cause the permitted amount under such Section to be exceeded and such excess shall be permitted hereunder).

**im. Liens**

Create, incur, assume or suffer to exist any Lien upon any of its Property, whether now owned or hereafter acquired, except for:

238. Liens for Taxes not yet due or which are being contested in good faith by appropriate proceedings; ***provided***, that adequate reserves with respect thereto are maintained on the books of the Borrower or its Restricted Subsidiaries, as the case may be, to the extent required by GAAP;

239. landlords', carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 60 days or that are being contested in good faith by appropriate proceedings;

240. (i) pledges, deposits or statutory trusts in connection with workers' compensation, unemployment insurance and other social security legislation and (ii) Liens incurred in the ordinary course of business securing liability for reimbursement or indemnification obligations of insurance carriers providing property, casualty or liability insurance to the Borrower or any of its Restricted Subsidiaries in respect of such obligations;

241. deposits and other Liens to secure the performance of bids, government, trade and other similar contracts (other than for borrowed money), leases, subleases, statutory or regulatory obligations, surety, judgment and appeal bonds, performance bonds and other obligations of a like nature and liabilities to insurance carriers incurred in the ordinary course of business;

242. (i) Liens and encumbrances shown as exceptions in the title insurance policies insuring the Mortgages, and (ii) easements, zoning restrictions, rights-of-way, leases, licenses, covenants, conditions, restrictions and other similar encumbrances incurred in the ordinary course of business that, in the aggregate, do not materially interfere with the ordinary conduct of the business of the Borrower or any of its Restricted Subsidiaries;

243. Liens (i) in existence on the Closing Date (after giving effect to the Transactions) listed on Schedule 7.3(f) (or to the extent not listed on such Schedule 7.3(f), where the Fair Market Value of the Property to which such Lien is attached is less than $10,000,000), (ii) securing Indebtedness permitted by **Section 7.2(d)** and (iii) created after the Closing Date in connection with any refinancing, refundings, or renewals or extensions thereof permitted by **Section 7.2(d)**; ***provided***, that no such Lien is spread to cover any additional Property of the Borrower or any of its Restricted Subsidiaries after the Closing Date unless such Lien utilizes a separate basket under this **Section 7.3**;

244. (i) Liens securing Indebtedness of the Borrower or any of its Restricted Subsidiaries incurred pursuant to **Sections 7.2(c)**, **7.2(e)**, and **7.2(i)** (***provided*** that no such Lien securing debt pursuant to **Section 7.2(i)** shall apply to any other Property of the Borrower or any of its Restricted Subsidiaries that is not Collateral (or does not concurrently become Collateral) unless such Lien utilizes a separate basket under this **Section 7.3**) and **Sections 7.2(j)(i)**, **7.2(k)**, **7.2(r)**, **7.2(s)**, **7.2(t)** and **7.2(v)**; ***provided***, that

(A) in the case of any such Liens securing Indebtedness pursuant to **Section 7.2(k)**, such Liens do not at any time encumber any Property of the Borrower or any Subsidiary Guarantor,

(B) in the case of any such Liens securing Indebtedness incurred pursuant to **Section 7.2(r)**, such Liens do not encumber any Property other than cash paid to any such insurance company in respect of such insurance,

(C) in the case of any such Liens securing Indebtedness pursuant to **Section 7.2(t)(x)**, such Liens exist at the time that the relevant Person becomes a Restricted

Subsidiary or such assets are acquired and are not created in contemplation of or in connection with such Person becoming a Restricted Subsidiary or the acquisition of such assets (except to the extent such Liens secure Indebtedness which refinanced other secured Indebtedness to facilitate such Person becoming a Restricted Subsidiary or to facilitate the merger, consolidation or amalgamation or other acquisition of assets referred to in such **Section 7.2(t)(x)**),

(D) in the case of Liens securing Guarantee Obligations pursuant to **Section 7.2(e)**, the underlying obligations are secured by a Lien permitted to be incurred pursuant to this Agreement and

(E) in the case of any such Liens securing Indebtedness pursuant to **Section 7.2(j)(i)**, no more than (x) $25,000,000 minus (y) the amount of secured Indebtedness incurred pursuant to **Section 7.3(ll)(ii)**, of such Indebtedness may be secured (1) by the ABL Facility First Priority Collateral on a junior basis with the Liens securing the Obligations and (2) by the Term Facility First Priority Collateral on a senior basis with the Liens securing the Obligations and on a pari passu basis with the Liens securing the obligations under the BrandCo Credit Agreement and

(ii) any extension, refinancing, renewal or replacement of the Liens described in **clause (i)** of this **Section 7.3(g)** in whole or in part; ***provided***, that such extension, renewal or replacement shall be limited to all or a part of the property which secured (or was permitted to secure) the Lien so extended, renewed or replaced (plus improvements on such property, if any);

245. Liens created pursuant to the Loan Documents or any other Lien securing all or a portion of the Obligations or any obligations in respect of a Permitted Refinancing thereof in accordance with **Section 7.2**;

246. Liens arising from judgments in circumstances not constituting an Event of Default under **Section 8.1(h)**;

247. Liens on Property or assets acquired pursuant to an acquisition permitted under **Section 7.7** (and the proceeds thereof) or assets of a Restricted Subsidiary in existence at the time such Restricted Subsidiary is acquired pursuant to an acquisition permitted under **Section 7.7** and not created in contemplation thereof and Liens created after the Closing Date in connection with any refinancing, refundings, replacements or renewals or extensions of the obligations secured thereby permitted hereunder, ***provided***, that no such Lien is spread to cover any additional Property (other than other Property of such Restricted Subsidiary or the proceeds or products of the acquired assets or any accessions or improvements thereto and after-acquired property, subjected to a Lien pursuant to terms existing at the time of such acquisition) after the Closing Date (unless such Lien utilizes a separate basket under this **Section 7.3**);

248. (i) Liens on Property of Non-Guarantor Subsidiaries securing Indebtedness or other obligations not prohibited by this Agreement to be incurred by such Non-Guarantor Subsidiaries and (ii) Liens securing Indebtedness or other obligations of the Borrower or any of its Restricted Subsidiaries in favor of any Loan Party;

249. receipt of progress payments and advances from customers in the ordinary course of business to the extent same creates a Lien on the related inventory and proceeds thereof;

250. Liens in favor of customs and revenue authorities arising as a matter of law to secure the payment of customs duties in connection with the importation of goods;

251. Liens arising out of consignment or similar arrangements for the sale by the Borrower and its Restricted Subsidiaries of goods through third parties in the ordinary course of business or otherwise consistent with past practice;

252. Liens solely on any cash earnest money deposits made by the Borrower or any of its Restricted Subsidiaries in connection with an Investment permitted by **Section 7.7**;

253. Liens deemed to exist in connection with Investments permitted by **Section 7.7(b)** that constitute repurchase obligations;

254. Liens upon specific items of inventory, equipment or other goods and proceeds of the Borrower or any of its Restricted Subsidiaries arising in the ordinary course of business securing such Person's obligations in respect of bankers' acceptances and letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory, equipment or other goods;

255. Liens (i) on cash deposits securing any Hedge Agreements permitted hereunder, and not for speculative purposes, in an aggregate amount not to exceed $10,000,000 at any time outstanding or (ii) securing Hedge Agreements of the Borrower and its Restricted Subsidiaries entered into in the ordinary course of business for the purpose of providing foreign exchange for their respective operating requirements or of hedging interest rate or currency exposure, and not for speculative purposes;

256. any interest or title of a lessor under any leases or subleases entered into by the Borrower or any of its Restricted Subsidiaries in the ordinary course of business and any financing statement filed in connection with any such lease;

257. Liens on cash and Cash Equivalents (including the net proceeds of the incurrence of Indebtedness) used to defease or to satisfy and discharge or redeem or repurchase Indebtedness, ***provided***, that such defeasance or satisfaction and discharge or redemption or repurchase is not prohibited hereunder;

258. (i) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (B) relating to pooled deposit or sweep accounts of the Borrower or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrower and its Restricted Subsidiaries or (C) relating to purchase orders and other agreements entered into with distributors, clients, customers, vendors or suppliers of the Borrower or any of its Restricted Subsidiaries in the ordinary course of business, (ii) other Liens securing cash management obligations in the ordinary course of business and (iii) Liens encumbering reasonable and customary initial deposits and margin deposits in respect of, and similar Liens attaching to, commodity trading accounts and other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

259. Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights;

260. Liens on Capital Stock in joint ventures and other non-wholly owned entities securing obligations of such joint venture or entity and options, put and call arrangements, rights of first refusal and similar rights relating to Capital Stock in joint ventures and other non-wholly owned entities;

261. Liens securing obligations in respect of trade-related letters of credit permitted under **Section 7.2** and covering the goods (or the documents of title in respect of such goods) financed by such letters of credit and the proceeds and products thereof;

262. other Liens with respect to obligations the principal amount of which do not exceed $25,000,000 at any time outstanding;

263. licenses, sublicenses, cross-licensing or pooling of, or similar arrangements with respect to, Intellectual Property granted by the Borrower or any of its Restricted Subsidiaries which do not interfere in any material respect with the ordinary conduct of the business of the Borrower or such Restricted Subsidiary;

264. Liens arising from precautionary UCC financing statement filings (or other similar filings in non-U.S. jurisdictions) regarding leases, subleases, licenses or consignments, in each case, entered into by the Borrower or any of its Restricted Subsidiaries;

265. Liens on cash and Cash Equivalents (and the related escrow accounts) in connection with the issuance into (and pending the release from) escrow of, any Permitted Revolving Refinancing Obligations (or solely after the occurrence of the Tranche A Revolving Discharge Date, any Permitted SISO Refinancing Obligations), any Indebtedness permitted under **Section 7.2** and, in each case, any Permitted Refinancing thereof;

266. (A) Liens on the Collateral securing (i) Indebtedness incurred pursuant to **Section 7.2(aa)**, (ii) Term Designated Banking Services Obligations, (iii) Term Designated Swap Obligations and (iv) Term Designated Additional Obligations and (B) Liens on assets of Foreign Subsidiaries securing Indebtedness incurred pursuant to **Section 7.2(aa)** for working capital and general corporate purposes, ***provided*** that the aggregate principal amount of Indebtedness secured by any such Liens reduces the aggregate principal amount of Indebtedness that may be incurred pursuant to **Section 7.2(k)** and all obligors with respect to such Indebtedness incurred pursuant to this **Section 7.3(cc)(B)** also Guarantee the Obligations; provided, further, that any such Liens on the Collateral incurred pursuant to this **Section 7.3(cc)** shall be subject to the ABL Intercreditor Agreement;

267. (i) zoning or similar laws or rights reserved to or vested in any Governmental Authority to control or regulate the use of any real property and (ii) Liens in favor of the United States of America for amounts paid by the Borrower or any of its Restricted Subsidiaries as progress payments under government contracts entered into by them (***provided***, that no such Lien described in this **clause (ii)** shall encumber any Collateral);

268. any extension, renewal or replacement of any Liens permitted by this **Section 7.3**; ***provided***, that the Liens permitted by this **clause (ee)** shall not extend to or cover any additional Indebtedness (other than applicable Permitted Refinancings) or property (other than the proceeds or products thereof or any accessions or improvements thereto and after-acquired property subjected to a Lien pursuant to terms no broader than the equivalent terms existing at the time of such extension, renewal or replacement, and other than a substitution of like property) unless such Lien uses a separate basket under this **Section 7.3**;

269. Liens in favor of the Borrower or any Subsidiary Guarantor securing Indebtedness permitted under **Section 7.2(b)**; ***provided***, that to the extent such Liens are on the Collateral such Liens shall be junior to the Liens on the Collateral securing the Obligations and subject to a Junior Intercreditor Agreement;

270. Liens on inventory or equipment of the Borrower or any Restricted Subsidiary granted in the ordinary course of business to the Borrower's or such Restricted Subsidiary's (as applicable) distributor, vendor, supplier, client or customer at which such inventory or equipment is located;

271. other Liens incidental to the conduct of business of the Borrower and its Restricted Subsidiaries or the ownership of any of their assets not incurred in connection with Indebtedness, which Liens do not in any case materially detract from the value of the Property subject thereto or interfere with the ordinary course of business of the Borrower or any of its Restricted Subsidiaries;

272. [reserved];

273. Liens securing Indebtedness permitted under **Section 7.2(j)(ii)**; *provided* that any such Liens on the Collateral shall be subject to the ABL Intercreditor Agreement and the Pari Passu Intercreditor Agreement, as applicable;

274. Liens on cash deposits in respect of Indebtedness permitted under **Section 7.2(n)** or **7.2(bb)**; ***provided***, that, with respect to Indebtedness permitted under **Section 7.2(bb)(y)**, the amount of any such deposit does not exceed the amount of the Indebtedness such cash deposits secures;

275. Liens on the Collateral securing Indebtedness permitted under **Section 7.2(p)** and Permitted Refinancings in respect thereof; ***provided***, that such Liens shall be junior to the Liens on the Collateral securing the Obligations and subject to a Junior Intercreditor Agreement ***provided*** that the amount of obligations permitted to be secured by Liens shall not exceed $450,000,000; and

276. Liens on all premiums (if any), interest (including post-petition interest), fees, expenses, charges, accretion or amortization of original issue discount, accretion of interest paid in kind and additional or contingent interest on obligations permitted to be incurred pursuant to **Sections 7.2(a)** through **(dd)** and the subject of any Lien permitted pursuant to **clauses (a)** through **(ll)** above.

**in. Fundamental Changes**

Consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its Property or business, except that:

277. (i) any Restricted Subsidiary may be merged, amalgamated or consolidated with or into, or be liquidated into, the Borrower (***provided***, that the Borrower shall be the continuing or surviving corporation) or (ii) any Restricted Subsidiary may be merged, amalgamated or consolidated with or into, or be liquidated into, any Subsidiary Guarantor (***provided***, that (x) a Subsidiary Guarantor shall be the continuing or surviving corporation or (y) substantially simultaneously with such transaction, the continuing or surviving corporation shall become a Subsidiary Guarantor and the Borrower shall comply with **Section 6.8** in connection therewith);

278. any Non-Guarantor Subsidiary may be merged or consolidated with or into, or be liquidated into, any other Non-Guarantor Subsidiary that is a Restricted Subsidiary;

279. any Restricted Subsidiary may Dispose of all or substantially all of its assets upon voluntary liquidation or otherwise to any Loan Party;

280. 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 that is a Restricted Subsidiary or to Holdings;

281. Dispositions permitted by **Section 7.5** (other than **Section 7.5(c)**) and any merger, dissolution, liquidation, consolidation, amalgamation, investment or Disposition, the purpose of which is to effect a Disposition permitted by **Section 7.5** (other than **Section 7.5(c)**), may be consummated;

282. any Investment expressly permitted by **Section 7.7** (other than **Section 7.7(o)**) may be structured as a merger, consolidation or amalgamation;

283. The Borrower and its Restricted Subsidiaries may consummate the Transactions;

284. any Restricted Subsidiary may liquidate or dissolve if (i) the Borrower determines in good faith that such liquidation or dissolution is in the best interest of the Borrower and is not materially disadvantageous to the Lenders and (ii) to the extent such Restricted Subsidiary is a Loan Party, any assets or business of such Restricted Subsidiary not otherwise disposed of or transferred in accordance with **Section 7.4** or **7.5** or, in the case of any such business, discontinued, shall be transferred to, or otherwise owned or conducted by, a Loan Party after giving effect to such liquidation or dissolution;

285. any Escrow Entity may be merged with and into the Borrower or any Restricted Subsidiary (***provided*** that the Borrower or such Restricted Subsidiary shall be the continuing or surviving entity); and

286. if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing or would result therefrom, any Person may be merged, amalgamated or consolidated with or into the Borrower, ***provided***, that (A) the Borrower shall be the surviving entity or (B) if the surviving entity is not the Borrower (such other person, the "***Successor Borrower***"), (1) the Successor Borrower shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof, (2) the Successor Borrower shall expressly assume all the obligations of the Borrower under this Agreement and the other Loan Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, (3) each Guarantor, unless it is the other party to such merger or consolidation, shall have by a supplement to the Guarantee and Collateral Agreement confirmed that its guarantee thereunder shall apply to any Successor Borrower's obligations under this Agreement, (4) each Guarantor, unless it is the other party to such merger or consolidation, shall have by a supplement to any applicable Security Document affirmed that its obligations thereunder shall apply to its guarantee as reaffirmed pursuant to **clause (3)**, (5) each mortgagor of a Mortgaged Property, unless it is the other party to such merger or consolidation, shall have affirmed that its obligations under the applicable Mortgage shall apply to its guarantee as reaffirmed pursuant to **clause (3)** and (6) the Successor Borrower shall deliver to the Administrative Agent (x) an officer's certificate stating that such merger or consolidation does not violate this Agreement or any other Loan Document and (y) if requested by the Administrative Agent, an opinion of counsel to the effect that such merger or consolidation does not violate this Agreement or any other Loan Document and covering such other matters as are contemplated by the opinions of counsel delivered on the Closing Date pursuant to **Section 5.1(e)** (it being understood that if

the foregoing are satisfied, the Successor Borrower will succeed to, and be substituted for, the Borrower under this Agreement).

**io. Dispositions of Property**

Dispose of any of its owned Property (including receivables) whether now owned or hereafter acquired, or, in the case of any Restricted Subsidiary, issue or sell any shares of such Restricted Subsidiary's Capital Stock (other than directors' qualifying shares) to any Person, except:

287. (i) the Disposition of surplus, obsolete, damaged or worn out Property (including scrap and byproducts) in the ordinary course of business, Dispositions of Property no longer used or useful or economically practicable to maintain in the conduct of the business of the Borrower and other Restricted Subsidiaries in the ordinary course and Dispositions of Property necessary in order to comply with applicable Requirements of Law or licensure requirements (in each case, as determined by the Borrower in good faith), (ii) the sale of defaulted receivables in the ordinary course of business, (iii) abandonment, cancellation or disposition of any Intellectual Property in the ordinary course of business and (iv) sales, leases or other dispositions of inventory determined by the management of the Borrower to be no longer useful or necessary in the operation of the Business;

288. (i) the sale of inventory or other Property in the ordinary course of business, (ii) the cross-licensing, pooling, sublicensing or licensing of, or similar arrangements (including disposition of marketing rights) with respect to, Intellectual Property in the ordinary course of business or otherwise consistent with past practice or not materially disadvantageous to the Lenders, and (iii) the contemporaneous exchange, in the ordinary course of business, of Property for Property of a like kind, to the extent that the Property received in such exchange is of a Fair Market Value equivalent to the Fair Market Value of the Property exchanged (***provided***, that after giving effect to such exchange, the Fair Market Value of the Property of any Loan Party subject to Liens in favor of the Collateral Agent under the Security Documents is not materially reduced);

289. Dispositions permitted by **Section 7.4** (other than **Section 7.4(e)**);

290. the sale or issuance of (i) any Subsidiary's Capital Stock to any Loan Party; ***provided***, that the sale or issuance of Capital Stock of an Unrestricted Subsidiary to the Borrower or any of its Restricted Subsidiaries is otherwise permitted by **Section 7.7**, (ii) the Capital Stock of any Non-Guarantor Subsidiary that is a Restricted Subsidiary to any other Non-Guarantor Subsidiary that is a Restricted Subsidiary or to Holdings and (iii) the Capital Stock of any Subsidiary that is an Unrestricted Subsidiary to any other Subsidiary that is an Unrestricted Subsidiary, in each case, including in connection with any tax restructuring activities not otherwise prohibited hereunder;

291. any Disposition of assets; ***provided***, that

lvii. if the total value of the assets subject to such Disposition is in excess of $5,000,000, it shall be for Fair Market Value,

lviii. at least 75% of the total consideration received by the Borrower and its Restricted Subsidiaries is in the form of cash or Cash Equivalents,

lix. no Event of Default then exists or would result from such Disposition (except if such Disposition is made pursuant to an agreement entered into at a time when no Event of Default exists), and

lx.[reserved];

***provided***, ***however***, that for purposes of **clause (ii)** above, the following shall be deemed to be cash:

(A) [reserved],

(B) [reserved], and

(C) any Designated Non-cash Consideration received by the Borrower or any of its Restricted Subsidiaries in such Disposition having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this **clause (e)** that is at that time outstanding, not to exceed the greater of (I) $75,000,000 and (II) 2.0% of Consolidated Total Assets at the time of the receipt of such Designated Non-cash Consideration (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value);

292. (i) any Recovery Event and (ii) any event that would constitute a Recovery Event but for the Dollar threshold set forth in the definition thereof;

293. the leasing, licensing, occupying pursuant to occupancy agreements or sub-leasing of Property that would not materially interfere with the required use of such Property by the Borrower or its Restricted Subsidiaries;

294. the transfer for Fair Market Value of Property (including Capital Stock of Subsidiaries) to another Person in connection with a joint venture arrangement with respect to the transferred Property; ***provided***, that such transfer is permitted under **Section 7.7(k)** or **(v)**;

295. the sale or discount, in each case without recourse and in the ordinary course of business, of accounts receivable arising in the ordinary course of business, but only in connection with the compromise or collection thereof consistent with customary industry practice (and not as part of any bulk sale or financing of receivables);

296. transfers of condemned Property as a result of the exercise of "eminent domain" or other similar policies to the respective Governmental Authority or agency that has condemned the same (whether by deed in lieu of condemnation or otherwise), and transfers of properties that have been subject to a casualty to the respective insurer of such Property as part of an insurance settlement;

297. the Disposition of any Immaterial Subsidiary;

298. Specified Dispositions;

299. the transfer of Property (i) by the Borrower or any Subsidiary Guarantor to any other Loan Party or (ii) from a Non-Guarantor Subsidiary to (A) any Loan Party; ***provided***, that the portion (if any) of such Disposition made for more than Fair Market Value shall constitute an Investment and comply with **Section 7.7** or (B) any other Non-Guarantor Subsidiary that is a Restricted Subsidiary;

300. the Disposition of cash and Cash Equivalents (or the foreign equivalent of Cash Equivalents) in the ordinary course of business;

301. (i) Liens permitted by **Section 7.3** (other than by reference to **Section 7.5** or any clause thereof), (ii) Restricted Payments permitted by **Section 7.6** (other than by reference to **Section 7.5** or any clause thereof), (iii) Investments permitted by **Section 7.7** (other than by reference to **Section 7.5** or any clause thereof) and (iv) sale and leaseback transactions permitted by **Section 7.10** (other than by reference to **Section 7.5** or any clause thereof);

302. Dispositions of Investments in joint ventures and other non-wholly owned entities to the extent required by, or made pursuant to, customary buy/sell arrangements between the joint venture parties set forth in joint venture arrangements, shareholder agreements and similar binding arrangements;

303. [reserved];

304. the unwinding of Hedge Agreements permitted hereunder pursuant to their terms;

305. the Disposition of assets acquired pursuant to or in order to effectuate a Permitted Acquisition which assets are (i) obsolete or (ii) not used or useful to the core or principal business of the Borrower and the Restricted Subsidiaries;

306. Dispositions made on the Closing Date to consummate the Transactions;

307. [reserved];

308. [reserved];

309. the sale of services, or the termination of any other contracts, in each case in the ordinary course of business;

310. [reserved];

311. [reserved];

312. Dispositions of Property to the extent that (i)(A) such Property is exchanged for credit against the purchase price of similar replacement Property or (B) the proceeds of such Disposition are applied to the purchase price of such replacement Property and (ii) to the extent such Property constituted Collateral, such replacement Property constitutes Collateral as well;

313. any Disposition of Property that represents a surrender or waiver of a contract right or settlement, surrender or release of a contract or tort claim; and

314. Dispositions of Property between or among the Borrower and/or its Restricted Subsidiaries as a substantially concurrent interim Disposition in connection with a Disposition otherwise permitted pursuant to **clauses (a)** through **(aa)** above.

**ip. Restricted Payments**

Declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of the Borrower or any of its Restricted Subsidiaries, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash

or Property or in obligations of the Borrower or such Restricted Subsidiary (collectively, "***Restricted Payments***"), except that:

315. (i) any Restricted Subsidiary may make Restricted Payments to any Loan Party and (ii) Non-Guarantor Subsidiaries may make Restricted Payments to other Non-Guarantor Subsidiaries;

316. [reserved];

317. the Borrower or any Restricted Subsidiary may make, without duplication,

lxi. Tax Payments and

lxii. Restricted Payments to Holdings or any Parent Company to permit Holdings or such Parent Company to pay

s. franchise and similar taxes and other fees and expenses in connection with the maintenance of its (or any Parent Company's) existence and its (or any Parent Company's indirect) ownership of the Borrower,

t. so long as the Borrower and Holdings are members of a consolidated, combined, unitary or similar group with any Parent Company for U.S. federal, state or local income tax purposes, such Parent Company's federal, state or local income taxes, as applicable, but only to the extent such income taxes are (x) attributable to the income of the Borrower and its Subsidiaries that are members of such group, determined by taking into account any available net operating loss carryovers or other tax attributes of the Borrower and such Subsidiaries and (y) not covered by Tax Payments; ***provided***, that in each case the amount of such payments with respect to any fiscal year does not exceed the amount that the Borrower and such Subsidiaries would have been required to pay in respect of such income taxes for such fiscal year were the Borrower and such Subsidiaries a consolidated or combined group of which the Borrower was the common parent, less any amounts paid directly by Borrower and such Subsidiaries with respect to such Taxes;

u. customary fees, salary, bonus, severance and other benefits payable to, and indemnities provided on behalf of, their current and former officers and employees and members of their Board of Directors,

v. ordinary course corporate operating expenses and other fees and expenses required to maintain its corporate existence,

w. fees and expenses to the extent permitted under **clause (i)** of the second sentence of **Section 7.9**,

x. reasonable fees and expenses incurred in connection with any debt or equity offering by Holdings or any Parent Company, to the extent the proceeds thereof are (or, in the case of an unsuccessful offering, were intended to be) used for the benefit of the Borrower and its Restricted Subsidiaries, whether or not completed and

y. reasonable fees and expenses in connection with compliance with reporting and public and limited company obligations under, or in connection with

compliance with, federal or state laws (including securities laws, rules and regulations, securities exchange rules and similar laws, rules and regulations) or under this Agreement or any other Loan Document;

318. [reserved];

319. the Borrower and any of its Subsidiaries may make Restricted Payments to, directly or indirectly, purchase the Capital Stock of Holdings, the Borrower, any Parent Company or any Subsidiary from present or former officers, directors, consultants, agents or employees (or their estates, trusts, family members or former spouses) of Holdings, the Borrower, any Parent Company or any Subsidiary upon the death, disability, retirement or termination of the applicable officer, director, consultant, agent or employee or pursuant to any equity subscription agreement, stock option or equity incentive award agreement, shareholders' or members' agreement or similar agreement, plan or arrangement; *provided*, that the aggregate amount of payments under this clause (e) in any fiscal year of the Borrower shall not exceed the sum of (i) $10,000,000 in any fiscal year, plus (ii) any proceeds received from key man life insurance policies, plus (iii) any proceeds received by Holdings, the Borrower, or any Parent Company during such fiscal year from sales of the Capital Stock of Holdings, the Borrower or any Parent Company to directors, officers, consultants or employees of Holdings, the Borrower, any Parent Company or any Subsidiary in connection with permitted employee compensation and incentive arrangements; *provided*, that any Restricted Payments permitted (but not made) pursuant to subclause (i), (ii) or (iii) of this clause (e) in any prior fiscal year may be carried forward to any subsequent fiscal year (subject to an annual cap of no greater than $20,000,000); *provided*, *further*, that cancellation of Indebtedness owing to the Borrower or any Subsidiary by any member of management of Holdings, any Parent Company, the Borrower or any Subsidiary in connection with a repurchase of the Capital Stock of the Borrower, Holdings or any Parent Company will not be deemed to constitute a Restricted Payment for purposes of this Section 7.6;

320. the Borrower and its Restricted Subsidiaries may make Restricted Payments to make, or to allow Holdings or any Parent Company to make, non-cash repurchases of Capital Stock deemed to occur upon exercise of stock options or similar equity incentive awards, if such Capital Stock represents a portion of the exercise price of such options or similar equity incentive awards,

321. tax payments on behalf of present or former officers, directors, consultants, agents or employees (or their estates, trusts, family members or former spouses) of Holdings, the Borrower, any Parent Company or any Subsidiary in connection with noncash repurchases of Capital Stock pursuant to any equity subscription agreement, stock option or equity incentive award agreement, shareholders' or members' agreement or similar agreement, plan or arrangement of Holdings, the Borrower, any Parent company or any Subsidiary;

322. make-whole or dividend-equivalent payments to holders of vested common stock options or other common Capital Stock or to holders of common stock options or other common Capital Stock at or around the time of vesting or exercise of such options or other common Capital Stock to reflect dividends previously paid in respect of common Capital Stock of the Borrower, Holdings or any Parent Company;

323. [reserved];

324. to the extent constituting Restricted Payments, the Borrower and its Restricted Subsidiaries may enter into and consummate transactions expressly permitted (other than by reference to **Section 7.6** or any clause thereof) by any provision of **Sections 7.4**, **7.5**, **7.7** and **7.9**;

325. [reserved];

326. Borrower may make Restricted Payments to make, or to allow Holdings or any Parent Company to make, payments in cash, in lieu of the issuance of fractional shares, upon the exercise of warrants or upon the conversion or exchange of Capital Stock of any such Person;

327. so long as no Event of Default under **Section 8.1(a)** or **8.1(f)** has occurred and is continuing, the Borrower may make Restricted Payments to Holdings or any Parent Company to enable it to make payments to the Sponsor or its Affiliates in respect of expenses or indemnification payments on terms reasonably acceptable to the Administrative Agent;

328. any non-wholly owned Restricted Subsidiary of the Borrower may declare and pay cash dividends to its equity holders (excluding any such equity holder that is an Affiliate of the Borrower (other than the Borrower and its Subsidiaries)) generally so long as the Borrower or its respective Subsidiary which owns the equity interests in the Restricted Subsidiary paying such dividend receives at least its proportional share thereof (based upon its relative holding of the equity interests in the Restricted Subsidiary paying such dividends and taking into account the relative preferences, if any, of the various classes of equity interest of such Restricted Subsidiary);

329. [reserved];

330. the Borrower and its Restricted Subsidiaries may make Restricted Payments (to the extent such payments would constitute Restricted Payments) pursuant to and in accordance with any Hedge Agreement in connection with a convertible debt instrument; *provided*, that, the aggregate amount of all such Restricted Payments minus cash received from counterparties to such Hedge Agreements upon entering into such Hedge Agreements shall not exceed $5,000,000; and

331. provided that no Event of Default is continuing or would result therefrom, the Borrower may make Restricted Payments in respect of reasonable fees and expenses incurred in connection with any successful or unsuccessful debt or equity offering or any successful or unsuccessful acquisition or strategic transaction of Holdings.

**iq. Investments**

Make any advance, loan, extension of credit (by way of guarantee or otherwise) or capital contribution to, or purchase any Capital Stock, bonds, notes, debentures or other debt securities of, or all or substantially all of the assets constituting an ongoing business from, or make any other similar investment in, any other Person (all of the foregoing, "***Investments***"), except:

332. (i) extensions of trade credit in the ordinary course of business, (ii) loans, advances and promotions made to distributors, customers, vendors and suppliers in the ordinary course of business or in accordance with market practices, (iii) purchases and acquisitions of inventory, supplies, materials and equipment, purchases of contract rights, accounts and chattel paper, purchases of put and call foreign exchange options to the extent necessary to hedge foreign exchange exposures or foreign exchange spot and forward contracts, purchases of notes receivable or licenses or leases of Intellectual Property, in each case in the ordinary course of business, to the extent such purchases and acquisitions constitute

Investments, (iv) Investments among the Borrower and its Restricted Subsidiaries in connection with the sale of inventory and parts in the ordinary course of business and (v) purchases and acquisitions of Intellectual Property or purchases of contract rights or licenses or leases of Intellectual Property, in each case, in the ordinary course of business, to the extent such purchases and acquisitions constitute Investments;

333. Investments in Cash Equivalents (or the foreign equivalent of Cash Equivalents) and Investments that were Cash Equivalents (or the foreign equivalent of Cash Equivalents) when made;

334. Investments arising in connection with (i) the incurrence of Indebtedness permitted by **Section 7.2** (other than by reference to **Section 7.7** or any clause thereof) to the extent arising as a result of Indebtedness among the Borrower or any of its Restricted Subsidiaries and Guarantee Obligations permitted by **Section 7.2** (other than by reference to **Section 7.7** or any clause thereof) and payments made in respect of such Guarantee Obligations, (ii) the forgiveness or conversion to equity of any Indebtedness permitted by **Section 7.2** (other than by reference to **Section 7.7** or any clause thereof) and (iii) guarantees by the Borrower or any of its Restricted Subsidiaries of leases (other than Capital Lease Obligations) or of other obligations that do not constitute Indebtedness, in each case entered into in the ordinary course of business;

335. loans and advances to employees, consultants or directors of any Parent Company, Holdings or any of its Restricted Subsidiaries in the ordinary course of business in an aggregate amount (for the Borrower and all of its Restricted Subsidiaries) not to exceed $10,000,000 (excluding (for purposes of such cap) tuition advances, travel and entertainment expenses, but including relocation advances) at any one time outstanding;

336. Investments (i) (other than those relating to the incurrence of Indebtedness permitted by **Section 7.7(c)**) by the Borrower or any of its Restricted Subsidiaries in the Borrower or any Person that, prior to such Investment, is a Loan Party (or is a Subsidiary that becomes a Loan Party in connection with such Investment), (ii) by the Borrower or any Subsidiary Guarantor in any Non-Guarantor Subsidiaries so long as such Investment is part of a series of Investments by Restricted Subsidiaries in other Restricted Subsidiaries that result in the proceeds of the initial Investment being invested in one or more Loan Parties, (iii) comprised solely of equity purchases or contributions by the Borrower or any of its Restricted Subsidiaries in any other Restricted Subsidiary made for tax purposes, so long as the Borrower provides to the Administrative Agent evidence reasonably acceptable to the Administrative Agent that, after giving pro forma effect to such Investments, the granting, perfection, validity and priority of the security interest of the Secured Parties in the Collateral, taken as a whole, is not impaired in any material respect by such Investment and (iv) existing on the Closing Date in any Non-Guarantor Subsidiary;

337. Permitted Acquisitions to the extent that any Person or Property acquired in such acquisition becomes a Restricted Subsidiary or a part of a Restricted Subsidiary; ***provided***, that

lxiii. immediately before and after giving effect to any such Permitted Acquisition, no Event of Default shall have occurred and be continuing,

lxiv. after giving pro forma effect to such Permitted Acquisition and any incurrence of any Indebtedness in connection therewith, the Borrower shall be in pro forma compliance with the terms of **Section 7.1**, to the extent then applicable (and the Borrower shall have delivered to the Administrative Agent such financial information as it may reasonably request demonstrating such compliance); and

lxv.the aggregate amount of consideration paid by the Borrower and its Restricted Subsidiaries in connection with Permitted Acquisitions of Persons other than Loan Parties and of Property that does not become Collateral shall not exceed $50,000,000;

338. loans by the Borrower or any of its Restricted Subsidiaries to the employees, officers or directors of any Parent Company, Holdings or any of its Restricted Subsidiaries in connection with management incentive plans (***provided***, that such loans represent cashless transactions pursuant to which such employees, officers or directors directly (or indirectly) invest the proceeds of such loans in the Capital Stock of Holdings or a Parent Company);

339. [reserved];

340. Investments (including debt obligations) received in the ordinary course of business by the Borrower or any of its Restricted Subsidiaries in connection with (w) the bankruptcy or reorganization of suppliers, vendors, distributors, clients, customers and other Persons, (x) settlement of delinquent obligations of, and other disputes with, suppliers, vendors, distributors, clients, customers and other Persons arising in the ordinary course of business, (y) endorsements for collection or deposit and (z) customary trade arrangements with suppliers, vendors, distributors, clients and customers, including consisting of Capital Stock of clients and customers issued to the Borrower or any Subsidiary in consideration for goods provided and/or services rendered;

341. Investments by any Non-Guarantor Subsidiary in any other Non-Guarantor Subsidiary (other than Investments by BrandCo Holdings or any of its Subsidiaries in any Non-Guarantor Subsidiary that is not a Subsidiary of BrandCo Holdings);

342. Investments in existence on, or pursuant to legally binding written commitments in existence on, the Closing Date (after giving effect to the Transactions) and listed on Schedule 7.7 and, in each case, any extensions, renewals or replacements thereof, so long as the amount of any Investment made pursuant to this **clause (k)** is not increased (other than pursuant to such legally binding commitments);

343. Investments of the Borrower or any of its Restricted Subsidiaries under Hedge Agreements permitted hereunder;

344. Investments of any Person existing, or made pursuant to binding commitments in effect, at the time such Person becomes a Restricted Subsidiary or consolidates, amalgamates or merges with the Borrower or any of its Restricted Subsidiaries (including in connection with a Permitted Acquisition); ***provided***, that such Investment was not made in anticipation of such Person becoming a Restricted Subsidiary or of such consolidation, amalgamation or merger;

345. [reserved];

346. to the extent constituting Investments, transactions expressly permitted (other than by reference to this **Section 7.7** or any clause thereof) under **Sections 7.4**, **7.5**, **7.6** and **7.8**;

347. Subsidiaries of the Borrower may be established or created, if (i) to the extent such new Subsidiary is a Domestic Subsidiary, the Borrower and such Subsidiary comply with the provisions of **Section 6.8(c)** and (ii) to the extent such new Subsidiary is a Foreign Subsidiary, the Borrower complies with the provisions of **Section 6.8(d)**; ***provided***, that, in each case, to the extent such new Subsidiary is created solely for the purpose of consummating a merger, consolidation, amalgamation or similar

transaction pursuant to an acquisition permitted by this **Section 7.7**, and such new Subsidiary at no time holds any assets or liabilities other than any consideration contributed to it substantially contemporaneously with the closing of such transactions, such new Subsidiary shall not be required to take the actions set forth in **Section 6.8(c)** or **6.8(d)**, as applicable, until the respective acquisition is consummated (at which time the surviving entity of the respective transaction shall be required to so comply within ten Business Days or such longer period as the Administrative Agent shall agree);

348. Investments arising directly out of the receipt by the Borrower or any of its Restricted Subsidiaries of non-cash consideration for any sale of assets permitted under **Section 7.5** (other than by reference to **Section 7.7** or any clause thereof);

349. (i) Investments resulting from pledges and deposits referred to in **Sections 7.3(c)** and **(d)** and (ii) cash earnest money deposits made in connection with Permitted Acquisitions or other Investments permitted under this **Section 7.7**;

350. Investments in connection with a legitimate business purpose (which, for the avoidance of doubt, shall not include any financing arrangement) consisting of (i) the licensing, sublicensing, cross-licensing, pooling or contribution of, or similar arrangements with respect to, Intellectual Property (other than BrandCo Collateral except as permitted pursuant to the BrandCo License Documents), in each case, in the ordinary course of business or consistent with past practice or not otherwise materially adverse to the interest of the Lenders, and (ii) the transfer or licensing of non-U.S. Intellectual Property (other than BrandCo Collateral except as permitted pursuant to the BrandCo License Documents) to a Foreign Subsidiary in the ordinary course of business consistent with past practice or otherwise not materially adverse to the interest of the Lenders;

351. [reserved];

352. Investments in the ordinary course of business consisting of UCC Article 3 endorsements for collection or deposit and UCC Article 4 customary trade arrangements with customers;

353. Investments in an aggregate amount not to exceed the sum of (i) $75,000,000, ***minus*** (ii) the aggregate amount of any prepayment, redemption, purchase, defeasement or satisfaction prior to the scheduled maturity of any Junior Financing pursuant to **Section 7.8(a)(iv)**; ***provided***, that Investments made by any Loan Party pursuant to this **clause (v)** shall not be in the form of Intellectual Property (or of Capital Stock of Subsidiaries owning Intellectual Property) in any Non-Guarantor Subsidiary;

354. advances of payroll payments to employees, or fee payments to directors or consultants, in the ordinary course of business;

355. Investments constituting loans or advances in lieu of Restricted Payments permitted pursuant to **Section 7.6**;

356. [reserved];

357. [reserved];

358. Investments to the extent that payment for such Investments is made solely by the issuance of Capital Stock (other than Disqualified Capital Stock) of Holdings (or any Parent Company) to the seller of such Investments;

359. [reserved];

360. [reserved];

361. the Borrower or any of its Restricted Subsidiaries may make Investments in an amount not to exceed the Excluded Contribution Amount (to extent Not Otherwise Applied) within 90 days of the receipt thereof, so long as, with respect to any such Investments, no Event of Default shall have occurred and be continuing or would result therefrom;

362. [reserved];

363. the Borrower or any of its Restricted Subsidiaries may make Investments in prepaid expenses, negotiable instruments held for collection and lease and utility and worker's compensation deposits provided to third parties in the ordinary course of business;

364. [reserved]; and

365. Investments in (i) open-market purchases of common stock of Revlon and (ii) any other Investment available to highly compensated employees under any "excess 401-(k) plan" of the Borrower (or any of its Domestic Subsidiaries, as applicable), in each case to the extent necessary to permit the Borrower (or such Domestic Subsidiary, as applicable) to satisfy its obligations under such "excess 401-(k) plan" for highly compensated employees; ***provided***, ***however***, that the aggregate amount of such purchases and other Investments under this **Section 7.7(hh)** together with any Restricted Payments made as permitted under **Section 7.6(e)** does not exceed the amounts set forth in such section.

It is further understood and agreed that for purposes of determining the value of any Investment outstanding for purposes of this **Section 7.7**, such amount shall be deemed to be the amount of such Investment when made, purchased or acquired less any returns on such Investment (not to exceed the original amount invested).

**ir. Prepayments, Etc. of Indebtedness; Amendments.**

366. Optionally prepay, redeem, purchase, defease or otherwise satisfy prior to the day that is 90 days before the scheduled maturity thereof in any manner the principal amount of

(x) any Indebtedness that is expressly subordinated by contract in right of payment to the Obligations,

(y) (I) any Indebtedness incurred pursuant to **Section 7.2(a)**, **(i)**, **(t)** and **(v)** that is secured by all or any part of the Collateral or (II) any other Indebtedness incurred pursuant to **Section 7.2** that is secured by all or a material part of the Collateral, in each case of **clauses (I)** and **(II)**, on a junior basis relative to the Obligations, but is not also secured by any substantial part of the Collateral on a pari passu or senior basis relative to the Obligations or

(z) any Indebtedness incurred pursuant to **Section 7.2** that is unsecured

(collectively, "***Junior Financing***") (it being understood, for the avoidance of doubt, that (1) payments of regularly scheduled interest and principal on all of the foregoing shall be permitted, (2) the term "Junior Financing" does not include any Indebtedness under (A) the Term Loan Agreement or any other Indebtedness subject to the ABL Intercreditor Agreement, (B) the 2021 Notes, (C) this Agreement or (D)

the BrandCo Credit Agreement), or make any payment in violation of any subordination terms of any Junior Financing Documentation, except:

lxvi.[reserved];

lxvii.the conversion of any Junior Financing to Capital Stock (other than Disqualified Capital Stock) or the prepayment, redemption, purchase, defeasement or other satisfaction of Junior Financing in an amount not to exceed the Excluded Contribution Amount (to extent Not Otherwise Applied) (other than Disqualified Capital Stock);

lxviii.the prepayment, redemption, purchase, defeasement or other satisfaction of any Junior Financing with any Permitted Refinancing thereof;

lxix.the prepayment, redemption, purchase, defeasement or other satisfaction prior to the day that is 90 days before the scheduled maturity of any Junior Financing, in an aggregate amount not to exceed (i) $75,000,000 ***minus*** (ii) the aggregate amount of Investments made pursuant to **Section 7.7(v)**;

lxx.the prepayment, redemption, purchase, defeasance or other satisfaction of any Indebtedness incurred or assumed pursuant to **Section 7.2(t)**;

lxxi.the prepayment, redemption, purchase, defeasance or other satisfaction of any Indebtedness to consummate the Transactions; and

lxxii.the prepayment, redemption, purchase, defeasance or other satisfaction of any intercompany indebtedness

z. owing by a Loan Party to another Loan Party,

aa. owing by a Restricted Subsidiary that is Non-Guarantor Subsidiary to a Restricted Subsidiary that is Non-Guarantor Subsidiary and

ab. owing by a Restricted Subsidiary that is Non-Guarantor Subsidiary to a Loan Party;

***provided***, that, notwithstanding the foregoing, the Borrower shall not, and shall not permit any of its Subsidiaries to repurchase any Junior Financing of the Borrower prior to the date that is 105 days or more prior to the stated maturity thereof, except to the extent that the Borrower and its Subsidiaries have Section 7.8 Liquidity (as defined below) of at least $200,000,000, after giving pro forma effect to such prepayment, redemption, purchase, defeasance or other satisfaction; provided that for purposes hereof, "***Section 7.8 Liquidity***" shall mean, at any time, the sum of (i) all Unrestricted Cash of the Borrower and its Subsidiaries and (ii) the aggregate indebtedness permitted to be borrowed under this Agreement and any other then-existing revolving credit facility or line of credit of the Borrower and its Subsidiaries;

367. amend or modify the documentation in respect of any Junior Financing in a manner, taken as a whole (as shall be determined by the Borrower in good faith), that would be materially adverse to the Lenders; ***provided***, that nothing in this **Section 7.8(b)** shall prohibit the refinancing, replacement, extension or other similar modification of any Indebtedness to the extent otherwise permitted by **Section 7.2** or

368. amend or modify the BrandCo License Documents in a manner, taken as a whole (as shall be determined by the Borrower in good faith), that would be materially adverse to the Lenders without providing to the Administrative Agent, prior to the effectiveness of such amendment, an updated Borrowing Base Certificate demonstrating, after giving pro forma effect to such amendment and any transactions in connection therewith (including, without limitation, any prepayment or repayment of the Loans and the removal of any Inventory from the Borrowing Base that will no longer constitute Eligible Inventory),

(x) Excess Availability would not be less than the Financial Covenant Block or

(y) if such amendment or modification is on or after the Tranche A Revolving Discharge Date, the aggregate principal amount of the SISO Term Loans then outstanding does not exceed the Tranche A Borrowing Base.

**is. Transactions with Affiliates**

Enter into any transaction, including any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate thereof (other than the Borrower or any of its Restricted Subsidiaries) involving aggregate payments or consideration in excess of $25,000,000 unless such transaction is (a) otherwise not prohibited under this Agreement and (b) upon terms materially no less favorable when taken as a whole to the Borrower or such Restricted Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate. Notwithstanding the foregoing, the Borrower and its Restricted Subsidiaries may:

lxxiii.pay to Holdings or any Parent Company and any of their Affiliates fees, indemnities and expenses permitted by **Section 7.6(m)** and/or fees and expenses in connection with the Transactions and disclosed to the Administrative Agent prior to the Closing Date;

lxxiv.enter into any transaction with an Affiliate that is not prohibited by the terms of this Agreement to be entered into by Holdings, the Borrower or its Restricted Subsidiaries;

lxxv.make any Restricted Payment permitted pursuant to **Section 7.6** (other than by reference to **Section 7.9** or any clause thereof) or any Investment permitted pursuant to **Section 7.7**;

lxxvi.perform their obligations pursuant to the Transactions, including payments required to be made pursuant to the Merger Agreement;

lxxvii.enter into transactions with joint ventures for the purchase or sale of goods, equipment and services entered into in the ordinary course of business;

lxxviii.without being subject to the terms of this **Section 7.9**, enter into any transaction with any Person which is an Affiliate of Holdings or the Borrower only by reason of such Person and Holdings or the Borrower, as applicable, having common directors;

lxxix.issue Capital Stock to the Sponsor, any other direct or indirect owner of Holdings (including any Parent Company), or any director, officer, employee or consultant thereof;

lxxx.enter into the transactions allowed pursuant to **Section 10.6**;

lxxxi.enter into transactions set forth on Schedule 7.9 and any amendment thereto or replacement thereof so long as such amendment or replacement is not materially more disadvantageous to the Lenders when taken as a whole as compared to the applicable agreement as in effect on the Closing Date as reasonably determined in good faith by the Borrower;

lxxxii.enter into joint purchasing arrangements with the Sponsor in the ordinary course of business or otherwise consistent with past practice;

lxxxiii.enter into and perform their respective obligations under the terms of the Company Tax Sharing Agreement in effect on the Closing Date, or any amendments thereto that do not materially increase the Borrower's or any Subsidiary Guarantor's obligations thereunder;

lxxxiv.enter into any transaction with an officer, director, manager, employee or consultant of Holdings, any Parent Company, the Borrower or any of its Subsidiaries (including compensation or employee benefit arrangements with any such officer, director, manager, employee or consultant) in the ordinary course of business;

lxxxv.make payments to Holdings, any Parent Company, the Borrower, any Restricted Subsidiary or any Affiliate of any of the foregoing for any financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including in connection with acquisitions or divestitures, which payments, to the extent the amount thereof either individually or collectively with any related payments exceeds $20,000,000, are approved by a majority of the members of the Board of Directors of the Borrower or, other than with respect to payments to Holdings, Holdings in good faith;

lxxxvi.enter into any transaction in which the Borrower or any Restricted Subsidiary, as the case may be, delivers to the Administrative Agent a letter from a nationally recognized investment banking firm stating that such transaction is fair to the Borrower or such Restricted Subsidiary from a financial point of view or meets the requirements of **Section 7.9(b)**;

lxxxvii.enter into any transaction with an Affiliate in which the consideration paid by the Borrower or any Restricted Subsidiary consists only of Capital Stock of Holdings;

lxxxviii.enter into transactions with customers, clients, suppliers, or purchasers or sellers of goods or services that are Affiliates, in each case, in the ordinary course of business and otherwise in compliance with the terms of this Agreement that are fair to the Borrower and its Restricted Subsidiaries, as determined in good faith by the Board of Directors or the senior management of the Borrower or Holdings, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party;

lxxxix.engage in any transaction pursuant to which Mafco, or any wholly owned subsidiary of Mafco, Holdings, any Parent Company or any Affiliate of any of the foregoing will provide the Borrower and the Subsidiaries, at their request, and at the cost to Mafco or such wholly owned subsidiary or Holdings, such Parent Company or such Affiliate (as applicable), with certain allocated services to be purchased from third party providers in the ordinary course of business, such as legal and accounting services, tax, consulting, financial advisory, corporate governance, insurance coverage and other services; and

xc.engage in any transaction in the ordinary course of business between the Borrower or a Subsidiary and its own employee stock option plan that is approved by the Borrower or such Subsidiary in good faith.

For the avoidance of doubt, this **Section 7.9** shall not restrict or otherwise apply to employment, benefits, compensation, bonus, retention and severance arrangements with, and payments of compensation or benefits (including customary fees, expenses and indemnities) to or for the benefit of, current or former employees, consultants, officers or directors of Holdings or the Borrower or any of its Restricted Subsidiaries in the ordinary course of business.

For purposes of this **Section 7.9**, any transaction with any Affiliate shall be deemed to have satisfied the standard set forth in **clause (b)** of the first sentence hereof if such transaction is approved by a majority of the Disinterested Directors of the Board of Directors of the Borrower or such Restricted Subsidiary, as applicable. "***Disinterested Director***": with respect to any Person and transaction, a member of the Board of Directors of such Person who does not have any material direct or indirect financial interest in or with respect to such transaction. A member of any such Board of Directors shall not be deemed to have such a financial interest by reason of such member's holding Capital Stock of the Borrower, Holdings or any Parent Company or any options, warrants or other rights in respect of such Capital Stock.

**it. Sales and Leasebacks**

Enter into any arrangement with any Person providing for the leasing by the Borrower or any of its Restricted Subsidiaries of real or personal Property which is to be sold or transferred by the Borrower or any of its Restricted Subsidiaries (a) to such Person or (b) to any other Person to whom funds have been or are to be advanced by such Person on the security of such Property or rental obligations of the Borrower or any of its Restricted Subsidiaries, except for (i) any such arrangement entered into in the ordinary course of business of the Borrower or any of its Restricted Subsidiaries, (ii) sales or transfers by the Borrower or any of its Restricted Subsidiaries to any Loan Party, (iii) sales or transfers by any Non-Guarantor Subsidiary to any other Non-Guarantor Subsidiary that is a Restricted Subsidiary and (iv) any such arrangement to the extent that the Fair Market Value of such Property does not exceed $25,000,000, in the aggregate for all such arrangements.

**iu. Changes in Fiscal Periods**

Permit the fiscal year of the Borrower to end on a day other than December 31; ***provided***, that the Borrower may, upon written notice to the Administrative Agent, change its fiscal year to any other fiscal year reasonably acceptable to the Administrative Agent, in which case, the Borrower and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary to reflect such change in fiscal year.

**iv. Negative Pledge Clauses**

Enter into any agreement that prohibits or limits the ability of any Loan Party to create, incur, assume or suffer to exist any Lien upon any of its Property, whether now owned or hereafter acquired, to secure the Obligations or, in the case of any Subsidiary Guarantor, its obligations under the Guarantee and Collateral Agreement, other than:

369. this Agreement, the other Loan Documents and any Intercreditor Agreement;

370. any agreements governing Indebtedness and/or other obligations secured by a Lien permitted by this Agreement (in which case, any prohibition or limitation shall only be effective against the assets subject to such Liens permitted by this Agreement);

371. software and other Intellectual Property licenses pursuant to which such Loan Party is the licensee of the relevant software or Intellectual Property, as the case may be (in which case, any prohibition or limitation shall relate only to the assets subject to the applicable license);

372. Contractual Obligations incurred in the ordinary course of business which (i) limit Liens on the assets that are the subject of the applicable Contractual Obligation or (ii) contain customary provisions restricting the assignment, transfer or pledge of such agreements;

373. any agreements regarding Indebtedness or other obligations of any Non-Guarantor Subsidiary not prohibited under **Section 7.2** (in which case, any prohibition or limitation shall only be effective against the assets of such Non-Guarantor Subsidiary and its Subsidiaries);

374. prohibitions and limitations in effect on the Closing Date and listed on Schedule 7.12;

375. customary provisions contained in joint venture agreements, shareholder agreements and other similar agreements applicable to joint ventures and other non-wholly owned entities not prohibited by this Agreement;

376. customary provisions restricting the subletting, assignment, pledge or other transfer of any lease governing a leasehold interest;

377. customary restrictions and conditions contained in any agreement relating to any Disposition of Property, leases, subleases, licenses, sublicenses, cross license, pooling and similar agreements not prohibited hereunder;

378. any agreement in effect at the time any Person becomes a Subsidiary of the Borrower or is merged with or into the Borrower or a Subsidiary of the Borrower, so long as such agreement was not entered into in contemplation of such Person becoming a Subsidiary of the Borrower or a party to such merger;

379. restrictions imposed by applicable law or regulation or license requirements;

380. restrictions in any agreements or instruments relating to any Indebtedness permitted to be incurred by this Agreement (including indentures, instruments or agreements governing any Permitted Revolving Refinancing Obligations or Permitted SISO Refinancing Obligations and indentures, instruments or agreements governing any Permitted Refinancings of Permitted Revolving Refinancing Obligations or Permitted SISO Refinancing Obligations) (i) if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially more restrictive on the Restricted Subsidiaries than the encumbrances contained in this Agreement (as determined in good faith by the Borrower) or (ii) if such encumbrances and restrictions are customary for similar financings in light of prevailing market conditions at the time of incurrence thereof (as determined in good faith by the Borrower) and the Borrower determines in good faith that such encumbrances and restrictions would not reasonably be expected to materially impair the Borrower’s ability to create and maintain the Liens on the Collateral pursuant to the Security Documents;

381. restrictions in respect of Indebtedness secured by Liens permitted by **Sections 7.3(g)** and **7.3(y)** relating solely to the assets or proceeds thereof secured by such Indebtedness;

382. customary provisions restricting assignment of any agreement entered into in the ordinary course of business;

383. restrictions arising in connection with cash or other deposits not prohibited hereunder and limited to such cash or other deposit;

384. restrictions set forth in any documentation governing Term Pari Passu Obligations, including the Term Loan Documents, and restrictions set forth in the BrandCo Documents;

385. restrictions and conditions that arise in connection with any Dispositions permitted by **Section 7.5**; ***provided***, ***however***, that such restrictions and conditions shall apply only to the property subject to such Disposition;

386. any agreement or restriction relating to the Target or its business in effect on the Closing Date so long as such restriction is not created in contemplation of such acquisition; and

387. the foregoing shall not apply to any restrictions or conditions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or other obligations referred to in **clauses (a)** through **(r)** above, ***provided***, that the restrictions and conditions contained in such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in good faith judgment of the Borrower no more restrictive than those restrictions and conditions in effect immediately prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing under the applicable contract, instrument or other obligation.

**iw. Clauses Restricting Subsidiary Distributions**

Enter into any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (a) make Restricted Payments in respect of any Capital Stock of such Restricted Subsidiary held by, or pay any Indebtedness owed to, the Borrower or any of its Restricted Subsidiaries or (b) make Investments in the Borrower or any of its Restricted Subsidiaries, except for such encumbrances or restrictions existing under or by reason of or consisting of:

xci. this Agreement or any other Loan Documents and under any Intercreditor Agreement, or any other agreement entered into pursuant to any of the foregoing;

xcii. provisions limiting the Disposition of assets or property in asset sale agreements, stock sale agreements and other similar agreements, which limitation is in each case applicable only to the assets or interests the subject of such agreements but which may include customary restrictions in respect of a Restricted Subsidiary in connection with the Disposition of all or substantially all of the Capital Stock or assets of such Restricted Subsidiary;

xciii. customary net worth provisions contained in Real Property leases entered into by the Borrower and its Restricted Subsidiaries, so long as the Borrower has determined in good faith that such net worth provisions would not reasonably be expected to impair the ability of the Borrower to meet its ongoing payment obligations hereunder or, in the case of any Subsidiary Guarantor, its obligations under the Guarantee and Collateral Agreement;

xciv.agreements related to Indebtedness permitted by this Agreement (including indentures, instruments or agreements governing any Permitted Revolving Refinancing Obligations or Permitted SISO Refinancing Obligations and indentures, instruments or agreements governing any Permitted Refinancings of Permitted Revolving Refinancing Obligations or Permitted SISO Refinancing Obligations) to the extent that (x) the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially more restrictive on the Restricted Subsidiaries than the encumbrances and restrictions contained in this Agreement (as determined in good faith by the Borrower) or (y) such encumbrances and restrictions are customary for similar financings in light of prevailing market conditions at the time of incurrence thereof (as determined in good faith by the Borrower) and the Borrower determines in good faith that such encumbrances and restrictions would not reasonably be expected to materially impair the Borrower's ability to pay the Obligations when due;

xcv.licenses, sublicenses, cross-licensing or pooling by the Borrower and its Restricted Subsidiaries of, or similar arrangements with respect to, Intellectual Property in the ordinary course of business (in which case such restriction shall relate only to such Intellectual Property);

xcvi.Contractual Obligations incurred in the ordinary course of business which include customary provisions restricting the assignment, transfer or pledge thereof;

xcvii.customary provisions contained in joint venture agreements, shareholder agreements and other similar agreements applicable to joint ventures and other non-wholly owned entities not prohibited by this Agreement;

xcviii.customary provisions restricting the subletting or assignment of any lease governing a leasehold interest;

xcix.customary restrictions and conditions contained in any agreement relating to any Disposition of Property, leases, subleases, licenses and similar agreements not prohibited hereunder;

c.any agreement in effect at the time any Person becomes a Restricted Subsidiary or is merged with or into the Borrower or any Restricted Subsidiary, so long as such agreement was not entered into in contemplation of such Person becoming a Restricted Subsidiary or a party to such merger;

ci.encumbrances or restrictions on cash or other deposits imposed by customers under contracts entered into in the ordinary course of business;

cii.encumbrances or restrictions imposed by applicable law, regulation or customary license requirements;

ciii.restrictions and conditions contained in the documentation governing the Existing Notes Financing;

civ.any agreement in effect on the Closing Date and described on Schedule 7.13;

cv.restrictions or conditions imposed by any obligations secured by Liens permitted pursuant to **Section 7.3** (other than obligations in respect of Indebtedness), if such restrictions or conditions apply only to the property or assets securing such obligations and such encumbrances

and restrictions are customary for similar obligations in light of prevailing market conditions at the time of incurrence thereof (as determined in good faith by the Borrower) and the Borrower determines in good faith that such encumbrances and restrictions would not reasonably be expected to materially impair the Borrower's ability to pay the Obligations when due;

cvi.the Term Loan Documents;

cvii.the BrandCo Documents;

cviii.restrictions or conditions contained in any trading, netting, operating, construction, service, supply, purchase or other agreement to which the Borrower or any of its Restricted Subsidiaries is a party entered into in the ordinary course of business; ***provided***, that such agreement prohibits the encumbrance of solely the property or assets of the Borrower or such Restricted Subsidiary that are the subject of such agreement, the payment rights arising thereunder or the proceeds thereof and does not extend to any other asset or property of the Borrower or such Restricted Subsidiary or the assets or property of any other Restricted Subsidiary; and

cix.the foregoing shall not apply to any restrictions or conditions imposed by any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or other obligations referred to in **clauses (i)** through **(xviii)** above, ***provided***, that the restrictions and conditions contained in such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in good faith judgment of the Borrower no more restrictive than those restrictions and conditions in effect immediately prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing under the applicable contract, instrument or other obligation.

**ix. Limitation on Hedge Agreements**

Enter into any Hedge Agreement other than Hedge Agreements entered into in the ordinary course of business, and not for speculative purposes.

**iy. Amendment of Company Tax Sharing Agreement**

Amend, modify, change, waive, cancel or terminate any term or condition of the Company Tax Sharing Agreement or Prior Tax Sharing Agreement in a manner materially adverse to the interests of the Company or the Lenders without the prior written consent of the Required Lenders.

**iz. Anti-Cash Hoarding**.

On or after the 2021 Notes Exchange Effective Date, after giving effect to any payments or prepayments pursuant to **Section 2.12(b)(iii)** and after giving effect to any payments to be made in connection with the 2021 Notes Exchange substantially concurrently with the occurrence of the 2021 Notes Exchange Effective Date, hold or permit Holdings and its Subsidiaries to hold at any time more than the Specified Cash Limit in cash or Cash Equivalents ((x) other than Specified Excluded Cash and (y) based on closing balances on the immediately preceding Business Day) so long as there are any Tranche A Revolving Loans, Swingline Loans, Local Loans, Acceptances and/or L/C Obligations outstanding.

**SECTION VIIA.**

**HOLDINGS NEGATIVE COVENANTS**

Holdings hereby covenants and agrees with each Lender that, so long as the Commitments remain in effect, any Letter of Credit remains outstanding (that has not been Cash Collateralized) or any Loan or other amount is owing to any Lender or any Agent hereunder (other than (i) contingent or indemnification obligations not then due and (ii) obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations), unless the Required Lenders shall otherwise consent in writing, (a) Holdings will not create, incur, assume or permit to exist any Lien on any Capital Stock of the Borrower held by Holdings other than Liens created under the Loan Documents or Liens not prohibited by **Section 7.3** and (b) Holdings shall do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence; ***provided***, that Holdings may merge with any other person so long as no Default has occurred and is continuing or would result therefrom and (i) Holdings shall be the surviving entity or (ii) if the surviving entity is not Holdings (such other person, "***Successor Holdings***"), (A) Successor Holdings shall be an entity organized or existing under the laws of the United States, any state thereof, the District of Columbia or any territory thereof, (B) Successor Holdings shall expressly assume all the obligations of Holdings under this Agreement and the other Loan Documents pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, and (C) Successor Holdings shall have delivered to the Administrative Agent (x) an officer's certificate stating that such merger or consolidation does not violate this Agreement or any other Loan Document and (y) if requested by the Administrative Agent, an opinion of counsel to the effect that such merger or consolidation does not violate this Agreement or any other Loan Document and covering such other matters as are contemplated by the opinions of counsel delivered on the Closing Date pursuant to **Section 5.1(e)** (it being understood that if the foregoing are satisfied, Successor Holdings will succeed to, and be substituted for, Holdings under this Agreement).

**Section VIII.**

**EVENTS OF DEFAULT**

**ja. Events of Default**

If any of the following events shall occur and be continuing:

388. The Borrower shall fail to pay (i) any principal of any Loan when due in accordance with the terms hereof, (ii) any principal of any Reimbursement Obligation within three Business Days after any such Reimbursement Obligation becomes due in accordance with the terms hereof or (iii) any interest owed by it on any Loan or Reimbursement Obligation, or any other amount payable by it hereunder or under any other Loan Document, within five Business Days after any such interest or other amount becomes due in accordance with the terms hereof;

389. Any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document or that is contained in any certificate or other document furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall in either case prove to have been inaccurate in any material respect (or if qualified by materiality, in any respect) and such inaccuracy is adverse to the Lenders on or as of the date made or deemed made or furnished;

390. The Borrower or any Subsidiary Guarantor shall default in the observance or performance of any agreement contained in **Section 6.4(a)** (solely with respect to maintaining the

existence of the Borrower) or **Section 7** or Holdings shall default in the observance or performance of any agreement contained in **Section 7A**;

391. Any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this **Section 8.1**), and such default shall continue unremedied (i) for a period of six Business Days if such breach relates to the terms or provisions of **Section 6.2(g)** or **6.7(a)** or (ii) for a period of 30 days after such Loan Party receives from the Administrative Agent, the Required Tranche A Revolving Lenders or the Required SISO Term Lenders notice of the existence of such default;

392. The Borrower or any of its Restricted Subsidiaries shall:

cx.default in making any payment of any principal of any Indebtedness for Borrowed Money (excluding the Loans and Reimbursement Obligations) on the scheduled or original due date with respect thereto beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness for Borrowed Money was created;

cxi.default in making any payment of any interest on any such Indebtedness for Borrowed Money beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness for Borrowed Money was created; or

cxii.default in the observance or performance of any other agreement or condition relating to any such Indebtedness for Borrowed Money or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event of default shall occur, the effect of which payment or other default or other event of default is to cause, or to permit the holder or beneficiary of such Indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness for Borrowed Money to become due prior to its Stated Maturity or to become subject to a mandatory offer to purchase by the obligor thereunder;

***provided***, that:

(A) a default, event or condition described in this paragraph shall not at any time constitute an Event of Default unless, at such time, one or more defaults or events of default of the type described in this paragraph shall have occurred and be continuing with respect to Indebtedness for Borrowed Money the outstanding principal amount of which individually exceeds $50,000,000, and in the case of Indebtedness for Borrowed Money of the types described in **clauses (i)** and **(ii)** of the definition thereof, with respect to such Indebtedness which exceeds such amount either individually or in the aggregate; and

(B) this paragraph (e) shall not apply to (i) secured Indebtedness that becomes due as a result of the sale, transfer, destruction or other disposition of the Property or assets securing such Indebtedness for Borrowed Money if such sale, transfer, destruction or other disposition is not prohibited hereunder and under the documents providing for such Indebtedness, or (ii) any Guarantee Obligations except to the extent such Guarantee Obligations shall become due and payable by any Loan Party and remain unpaid after any applicable grace period or period permitted following demand for the payment thereof;

***provided***, ***further***, that no Event of Default under this **clause (e)** shall arise or result from

(1) [reserved],

(2) any change of control (or similar event) under any other Indebtedness for Borrowed Money that is triggered due to the Permitted Investors (as defined herein) obtaining the requisite percentage contemplated by such change of control provision, unless both (x) such Indebtedness for Borrowed Money shall become due and payable or shall otherwise be required to be repaid, repurchased, redeemed or defeased, whether at the option of any holder thereof or otherwise and (y) at such time, the Borrower and/or its Restricted Subsidiaries would not be permitted to repay such Indebtedness for Borrowed Money in accordance with the terms of this Agreement; or

(3) any event or circumstance related to any Immaterial Subsidiary;

393. Holdings or the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement (including any arrangement provisions of the Canada Business Corporations Act (Canada) or any other applicable corporation legislation under the laws of any Province or Territory of Canada), adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or Holdings or the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) shall make a general assignment for the benefit of its creditors;

cxiii.there shall be commenced against Holdings or the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) any case, proceeding or other action of a nature referred to in **clause (i)** above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days;

cxiv.there shall be commenced against Holdings or the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against substantially all of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof;

cxv.Holdings or the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) shall consent to or approve of, or acquiesce in, any of the acts set forth in **clause (i)**, **(ii)**, or **(iii)** above; or

cxvi.Holdings or the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

394. (i) the Borrower or any of its Restricted Subsidiaries shall incur any liability in connection with any “prohibited transaction” (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan;

(ii) a failure to meet the minimum funding standards (as defined in Section 302(a) of ERISA), whether or not waived, shall exist with respect to any Single Employer Plan or any Lien in favor of the PBGC or a Lien shall arise on the assets of the Borrower or any of its Restricted Subsidiaries;

(iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or commencement of proceedings or appointment of a trustee is reasonably likely to result in the termination of such Single Employer Plan for purposes of Title IV of ERISA;

(iv) any Single Employer Plan shall terminate in a distress termination under Section 4041(c) of ERISA or in an involuntary termination by the PBGC under Section 4042 of ERISA;

(v) the Borrower or any of its Restricted Subsidiaries shall, or is reasonably likely to, incur any liability as a result of a withdrawal from, or the Insolvency of, a Multiemployer Plan; or

(vi) any other event or condition shall occur or exist with respect to a Plan or a Commonly Controlled Plan;

and in each case in **clauses (i)** through **(vi)** above, which event or condition, together with all other such events or conditions, if any, would reasonably be expected to result in a direct obligation of the Borrower or any of its Restricted Subsidiaries to pay money that would reasonably be expected to have a Material Adverse Effect;

395. One or more final judgments or decrees shall be entered against the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiary (whether or not then designated as such)) pursuant to which the Borrower and any such Restricted Subsidiaries taken as a whole has a liability (not paid or fully covered by third-party insurance or effective indemnity) of $50,000,000 or more (net of any amounts which are covered by insurance or an effective indemnity), and all such judgments or decrees shall not have been vacated, discharged, dismissed, stayed or bonded within 60 days from the entry thereof;

396. Subject to **Schedule 6.10**, any limitations expressly set forth herein and the exceptions set forth in the applicable Security Documents:

cxvii. any of the Security Documents shall cease, for any reason (other than by reason of the express release thereof in accordance with the terms thereof or hereof) to be in full force and effect or shall be asserted in writing by the Borrower or any Guarantor not to be a legal, valid and binding obligation of any party thereto;

cxviii. any security interest purported to be created by any Security Document with respect to any material portion of the Collateral of the Loan Parties on a consolidated basis shall cease to be, or shall be asserted in writing by any Loan Party not to be, a valid and perfected security interest (having the priority required by this Agreement or the relevant Security Document) in the securities, assets or properties covered thereby, except to the extent that (x) any such loss of perfection or priority results from limitations of foreign laws, rules and regulations as they apply to pledges of Capital Stock in Foreign Subsidiaries or the application thereof, or from the failure of the Collateral Agent (or, in the case of the Term Loan Agreement First Priority Collateral, the Designated Term Loan Agent) to maintain possession of certificates actually delivered to it

representing securities pledged under the Guarantee and Collateral Agreement or otherwise or to file UCC continuation statements, (y) such loss is covered by a lender's title insurance policy and the Administrative Agent shall be reasonably satisfied with the credit of such insurer or (z) any such loss of validity, perfection or priority is the result of any failure by the Collateral Agent (or, in the case of the Term Facility First Priority Collateral, the Designated Term Loan Agent) to take any action necessary to secure the validity, perfection or priority of the security interests; or

cxix.the Guarantee Obligations pursuant to the Security Documents by any Loan Party of any of the Obligations shall cease to be in full force and effect (other than in accordance with the terms hereof or thereof), or such Guarantee Obligations shall be asserted in writing by any Loan Party not to be in effect or not to be legal, valid and binding obligations; or

397. Holdings shall cease to own, directly or indirectly, 100% of the Capital Stock of the Borrower; or

cxx.for any reason whatsoever, any "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the Closing Date, but excluding any employee benefit plan of such person and its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan, and excluding the Permitted Investors) shall become the "beneficial owner" (within the meaning of Rule 13d-3 and 13d-5 of the Exchange Act as in effect on the Closing Date), directly or indirectly, of more than the greater of (x) 35% of the then outstanding voting securities having ordinary voting power of Holdings and (y) the percentage of the then outstanding voting securities having ordinary voting power of Holdings owned, directly or indirectly, beneficially (within the meaning of Rule 13d-3 and 13d-5 of the Exchange Act as in effect on the Closing Date) by the Permitted Investors (it being understood that if any such person or group includes one or more Permitted Investors, the outstanding voting securities having ordinary voting power of Holdings directly or indirectly owned by the Permitted Investors that are part of such person or group shall not be treated as being owned by such person or group for purposes of determining whether this **clause (y)** is triggered) (any of the foregoing, a "***Change of Control***");

then, and in any such event, (A) if such event is an Event of Default specified in **clause (i)** or **(ii)** of **paragraph (f)** above with respect to the Borrower, automatically the Commitments shall immediately terminate and the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents shall immediately become due and payable, and (B) if such event is any other Event of Default, either or both of the following actions may be taken:

(i) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower declare the Revolving Commitments to be terminated forthwith, whereupon the Revolving Commitments shall immediately terminate; and

(ii) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders (or, in accordance with and subject to the terms of the Agreement Among Lenders, the Supermajority SISO Term Lenders), the Administrative Agent shall, by notice to the Borrower, declare the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable.

In the case of all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to this paragraph, the Borrower shall at such time deposit in a Cash Collateral Account an amount equal to 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 backstopped or been fully drawn upon, if any, shall be applied to repay other obligations of the Borrower hereunder and under the other Loan Documents. After all such Letters of Credit shall have expired or been fully drawn upon, all Reimbursement Obligations shall have been satisfied and all other obligations of the Borrower then due and owing hereunder and under the other Loan Documents shall have been paid in full, the balance, if any, in such Cash Collateral Account shall be returned to the Borrower (or such other Person as may be lawfully entitled thereto). Except as expressly provided above in this **Section 8.1** or otherwise in any Loan Document, presentment, demand and protest of any kind are hereby expressly waived by the Borrower.

**jb. [Reserved].**

**Section IX.**

**THE AGENTS**

**jc. Appointment**

Each Lender, Issuing Lender and Swingline Lender hereby irrevocably designates and appoints each Agent as the agent of such Lender under the Loan Documents and each such Lender irrevocably authorizes each Agent, in such capacity, to take such action on its behalf under the provisions of the applicable Loan Documents and to exercise such powers and perform such duties as are expressly delegated to such Agent by the terms of the applicable Loan Documents, together with such other powers as are reasonably incidental thereto, including the authority to enter into any Intercreditor Agreement and any Extension Amendment. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Agents shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Agents. Without limiting the generality of the foregoing, the Lenders hereby irrevocably authorize and instruct each Agent to, without any further consent of any Secured Party, enter into (or acknowledge and consent to) or amend, renew, extend, supplement, restate, replace, waive or otherwise modify the ABL Intercreditor Agreement and any Junior Intercreditor Agreement with the collateral agent or other representatives of the holders of Indebtedness that is permitted to be secured by a Lien on the Collateral that is not prohibited (including with respect to priority) under this Agreement and, to the extent applicable, the ABL Intercreditor Agreement, and to subject the Liens on the Collateral securing the Secured Obligations to the provisions thereof. The Lenders irrevocably agree that (x) the Agents may rely exclusively on a certificate of a Responsible Officer of the Borrower as to whether any such other Liens are permitted and (y) the ABL Intercreditor Agreement and any Junior Intercreditor Agreement entered into by either Agent shall be binding on the Lenders, and each Lender hereby agrees that it will take no actions contrary to the provisions of any Intercreditor Agreement. Upon execution and delivery of a joinder documentation to this Credit Agreement acceptable to the Tranche B Administrative Agent, the Primary Administrative Agent and the Borrower, Alter Domus (US) LLC (or such other Person designated by the Primary Administrative Agent and the Borrower) shall be appointed as the Tranche B Administrative Agent.

**jd. Delegation of Duties**

Each Agent may execute any of its duties under the applicable Loan Documents by or through any of its branches, agents or attorneys in fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Neither Agent shall be responsible for the negligence or misconduct of any agents or attorneys in fact selected by it with reasonable care. Each Agent and any such agent or attorney-in-fact may perform any and all of its duties by or through their respective Related Persons. The exculpatory provisions of this Section shall apply to any such agent or attorney-in-fact and to the Related Persons of each Agent and any such agent or attorney-in-fact, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent.

**je. Exculpatory Provisions**

Neither any Agent nor any of their respective officers, directors, employees, agents, attorneys in fact or Affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Agents under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party a party thereto to perform its obligations hereunder or thereunder or 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. The Agents shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party, nor shall any Agent be required to take any action that, in its opinion or the opinion of its counsel, may expose it to liability that is not subject to indemnification under **Section 10.5** or that is contrary to any Loan Document or applicable law.

**jf. Reliance by the Agents**

398. The Agents shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Agents. The Tranche B Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any instruction, determination or request of the Primary Administrative Agent.

399. Each Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. Each Agent shall be fully justified in failing or refusing to take any action under the applicable Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders or the Majority Facility Lenders in respect of any Facility) as it deems appropriate or it shall first be indemnified to its satisfaction by the Revolving Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action.

400. The Agents shall in all cases be fully protected in acting, or in refraining from acting, under the applicable Loan Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders or the Majority Facility Lenders in respect of any Facility), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans. The Tranche B Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under the applicable Loan Documents in accordance with a request of the Primary Administrative Agent, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans. Notwithstanding anything contained herein to the contrary (but subject to the indemnity provisions of **Section 10.5(c)**), any action or any omission to act taken by the Tranche B Administrative Agent at the direction of the Required Lenders (or such other Lenders as may be required to give such instructions under **Section 10.1**) or any Agent shall not constitute gross negligence or willful misconduct.

401. In determining compliance with any conditions hereunder to the making of a Loan, the issuance of a Letter of Credit or the creation of an Acceptance, that by its terms must be fulfilled to the satisfaction of a Lender, an Issuing Lender or Swingline Lender, the Agents may presume that such condition is satisfactory to such Lender, Issuing Lender or Swingline Lender unless the Administrative Agent shall have received notice to the contrary from such Lender, Issuing Lender, or Swingline Lender prior to the making of such Loan or the issuance of such Letter of Credit.

**jg. Notice of Default**

Neither Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless such Agent has received written notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that an Agent receives such a notice, such Agent shall give notice thereof to the Lenders. The Agents shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders or the Majority Facility Lenders in respect of any Facility); ***provided***, that unless and until such Agent shall have received such directions, such Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

**jh. Non-Reliance on Agents and Other Lenders**

Each Lender expressly acknowledges that neither the Agents nor any of their respective officers, directors, employees, agents, attorneys in fact or Affiliates have made any representations or warranties to it and that no act by any Agent hereafter taken, including any review of the affairs of a Loan Party or any Affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent to any Lender. Each Lender represents to the Agents that it has, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, Property, financial and other condition and creditworthiness of the Loan Parties and their Affiliates and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon any Agent 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 analysis, appraisals and decisions in taking or not taking action under the applicable Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, Property, financial and other condition and creditworthiness of the Loan Parties and their Affiliates.

Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Agents hereunder, the Agents shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, Property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any Affiliate of a Loan Party that may come into the possession of either Agent or any of its officers, directors, employees, agents, attorneys in fact or Affiliates.

**ji. Indemnification.**

402. The Revolving Lenders severally agree to indemnify and hold harmless each Agent, any Issuing Lender and Swingline Lender in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Aggregate Exposure Percentages in effect on the date on which indemnification is sought under this **Section 9.7(a)** (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Aggregate Exposure Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent, any Issuing Lender or Swingline Lender in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents, the Agreement Among Lenders or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent, any Issuing Lender or Swingline Lender under or in connection with any of the foregoing; ***provided***, that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's, Issuing Lender's or Swingline Lender's gross negligence or willful misconduct.

403. The Tranche B Term Lenders severally agree to indemnify and hold harmless the Primary Administrative Agent and Tranche B Administrative Agent, in each case, in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably based upon the aggregate principal amount of Tranche B Term Loans held by such Tranche B Term Lender in effect on the date on which indemnification is sought under this **Section 9.7** (or, if indemnification is sought after the date upon which the Tranche B Term Loans shall have been paid in full, ratably in accordance with the Tranche B Term Loans immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Administrative Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Administrative Agent under or in connection with any of the foregoing.

404. The SISO Term Lenders severally agree to indemnify and hold harmless each Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably based upon their respective Aggregate Exposure Percentages in effect on the date on which indemnification is sought under this **Section 9.7(c)** (or, if indemnification is sought after the date upon which the SISO Term Loans shall have been paid in full, ratably in accordance with the respective Aggregate Exposure Percentages immediately prior to such date), from and against any and

all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Loan Documents, the Agreement Among Lenders or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Administrative Agent under or in connection with any of the foregoing; ***provided***, that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent's, Issuing Lender's or Swingline Lender's gross negligence or willful misconduct.

405. The agreements in this **Section 9.7** shall survive the payment of the Loans and all other amounts payable hereunder.

**jj. Agent in Its Individual Capacity**

Each Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though such Agent were not an Agent. With respect to its Loans or Swingline Loan made or renewed by it and with respect to any Letter of Credit or Acceptance, issued or participated in by it, as applicable, each Agent shall have the same rights and powers under the applicable Loan Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

**jk. Successor Agents.**

406. Subject to the appointment of a successor as set forth herein, any Agent may resign upon 30 days' notice to the Lenders, the Borrower and the other Agent. Upon receipt of any such notice of resignation, the Required Lenders shall appoint from among the Lenders (or such other person reasonably acceptable to the Borrower) a successor agent for the Lenders, which successor agent shall be a bank that has an office in New York, New York with a combined capital and surplus of at least $500,000,000 and shall (unless an Event of Default under **Section 8.1(a)** or **Section 8.1(f)** with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of such retiring Agent, and the retiring Agent's rights, powers and duties as Agent shall be terminated, without any other or further act or deed on the part of such retiring Agent or any of the parties to this Agreement or any holders of the Loans. If no successor Agent shall have been so appointed by the Required Lenders with such consent of the Borrower and shall have accepted such appointment within 30 days after the retiring Agent's giving of notice of resignation (the "***Resignation Effective Date***"), then the retiring Agent may (but shall not be obligated to do so), on behalf of the Lenders and, unless an Event of Default under **Section 8.1(a)** or **Section 8.1(f)** with respect to the Borrower shall have occurred and be continuing, with the consent of the Borrower (such consent not to be unreasonably withheld or delayed) appoint a successor Administrative Agent and/or Collateral Agent, as the case may be, with the qualifications set forth above (other than any such Agent is a Lender at such time). Whether or not a successor has been appointed, such Agent's resignation shall become effective in accordance with such notice on the Resignation Effective Date. After any retiring Agent's resignation as Agent, the provisions of this **Section 9** shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement and the other Loan Documents. If no successor Agent has been appointed and such appointment is effective by the Resignation Effective Date, any other then existing Agent (in the sole discretion of such Agent) may become such successor Agent and, if no other then-existing Agent

elects to become such successor Agent, all payments, communications and determinations required to be made by, to or through the retiring Administrative Agent shall instead be made by or to each Lender (and other Persons entitle to payments) directly (and each Lender (and each other Person) will cooperate with the Borrower to enable the Borrower to take such actions), until such time as the Required Lenders appoint a successor Administrative Agent as provided in this **clause (a)**; ***provided***, until a successor Agent has been appointed by Required Lenders and such appointment is effective, the Borrower may appoint a paying agent to make such payments, communications and/or determinations on behalf of all such Lenders and other Persons.

407. If at any time either the Borrower or the Required Lenders determine that any Person serving as an Agent is a Defaulting Lender, the Borrower by notice to the Lenders and such Person or the Required Lenders by notice to the Borrower and such Person may, subject to the appointment of a successor as set forth herein, remove such Person as an Agent. If such Person is removed as an Agent, the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under **Section 8.1(a)** or **Section 8.1(f)** with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of such retiring Agent, and the retiring Agent's rights, powers and duties as Agent shall be terminated, without any other or further act or deed on the part of such retiring Agent or any of the parties to this Agreement or any holders of the Loans. Such removal will, to the fullest extent permitted by applicable law, be effective on the date a replacement Agent is appointed.

408. Any resignation by the Administrative Agent pursuant to this **Section 9** shall also constitute its resignation as Collateral Agent and, if applicable, 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 Collateral Agent and, if applicable, Issuing Lender and Swingline Lender, ***provided*** that, to the extent such successor Administrative Agent is not capable of becoming an Issuing Lender, such successor shall not so succeed and become vested and another Issuing Lender may be appointed in accordance with **clause (c)** of the definition of "Issuing Lender", (ii) the retiring Collateral Agent, Issuing Lender and Swingline Lender shall be discharged from all of its respective duties and obligations hereunder or under the other Loan Documents, and (iii) the successor Issuing Lender shall issue letters of credit in substitution for or to backstop the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Issuing Lender to effectively assume the obligations of the retiring Issuing Lender with respect to such Letters of Credit.

**jl. Authorization to Release Liens and Guarantees**

The Agents are hereby irrevocably authorized by each of the Lenders to effect any release or subordination of Liens or Guarantee Obligations contemplated by **Section 10.15**.

**jm. Agents 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 Loan Party, to the maximum extent permitted by applicable law, each 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 either Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise,

409. to file a proof of claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other 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, the Swingline Lender and the Agents (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Lenders, the Swingline Lender and the Agents and their respective agents and counsel and all other amounts due the Lenders, the Issuing Lenders, the Swingline Lender and the Agents under **Sections 2.9**, **3.3** and **10.5**) allowed in such judicial proceeding; and

410. 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, each Issuing Lender and the Swingline Lender to make such payments to the Agents and, if either Agent shall consent to the making of such payments directly to the Lenders, Issuing Lenders and Swingline Lender, to pay to such Agent any amount due for the reasonable compensation, expenses, disbursements and advances of such Agent and its agents and counsel, and any other amounts due to such Agent under **Sections 2.9** and **10.5**.

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, Issuing Lender or Swingline Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender, Issuing Lender or Swingline Lender to authorize such Agent to vote in respect of the claim of any Lender, Issuing Lender or Swingline Lender or in any such proceeding.

**jn. Specified Hedge Agreements, Specified Cash Management Obligations and Specified Additional Obligations.**

411. Except as otherwise expressly set forth herein or in any Security Documents, to the maximum extent permitted by applicable law, no Person that obtains the benefits of any guarantee by any Guarantor of the Obligations or any Collateral with respect to any Specified Hedge Agreement entered into by it and the Borrower or any Subsidiary Guarantor or with respect to any Specified Cash Management Obligations or Specified Additional Obligations owed by the Borrower or any Subsidiary Guarantor to such Person 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, if applicable, 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 **Section 9** to the contrary, neither Agent shall be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, obligations arising under any Specified Hedge Agreement or with respect to Specified Cash Management Obligations or with respect to Specified Additional Obligations unless such Agent has received written notice of such obligations (together with the information required by **Sections 9.12(b)** and **(c)** below), together with such other supporting documentation as it may request, from the applicable Person to whom such obligations are owed.

412. The Borrower and any Hedge Bank may from time to time designate the Hedge Agreement to which they are parties as being a "Specified Hedge Agreement" upon written notice (a "***Hedge Designation Notice***") to the Administrative Agent from the Borrower, which Hedge Designation Notice shall include (i) a description of such Hedge Agreement and (ii) the maximum portion (expressed

in Dollars) of the Hedge Termination Value thereunder, if any, that is elected by the Borrower to constitute a "Designated Hedge Pari Passu Distribution Amount" and as to which an equal reserve shall be taken against the Tranche A Borrowing Base as a Specified Reserve (such portion, a "***Designated Hedge Pari Passu Distribution Amount***" and the obligations under such Specified Hedge Agreement (to the extent a Specified Reserve equal to such Designated Hedge Pari Passu Distribution Amount exists with respect to such Specified Hedge Agreement), "***Pari Passu Distribution Hedge Obligations***"); ***provided***, that no such Designated Hedge Pari Passu Distribution Amount with respect to any Specified Hedge Agreement shall constitute Pari Passu Distribution Hedge Obligations (and no such Specified Reserve shall be established by the Administrative Agent in connection therewith) to the extent that, at the time of delivery of the applicable Hedge Designation Notice and after giving effect to such Designated Hedge Pari Passu Distribution Amount (including any Specified Reserve with respect to such Pari Passu Distribution Hedge Obligations to be established by the Administrative Agent in connection therewith), the difference between Tranche A Availability and the Tranche A Revolving Extensions of Credit then outstanding would be less than zero (it being understood, for the avoidance of doubt, that in such a case (1) a Specified Reserve shall be established in an amount equal to the amount that will cause the difference between Tranche A Availability and the Tranche A Revolving Extensions of Credit then outstanding (after giving effect to such Specified Reserve) to equal zero, (2) the Designated Hedge Pari Passu Distribution Amount in respect of such Specified Hedge Agreement shall be deemed to equal the amount of such Specified Reserve and (3) a portion of the Secured Obligations in respect of such Specified Hedge Agreement equal to the amount of such Specified Reserve shall constitute Pari Passu Distribution Hedge Obligations to the extent such Specified Reserve exists).

413. The Borrower and any counterparty may from time to time designate obligations towards such counterparty as being a "Specified Additional Obligation", subject, in the case of principal, to the limitations set forth in the definition thereof, upon written notice (an "***Additional Obligation Designation Notice***") to the Administrative Agent from the Borrower, which Additional Obligation Designation Notice shall include (i) a description of such obligations and (ii) the amount (expressed in Dollars) thereunder, if any, that is elected by the Borrower to constitute a Designated Additional Obligation Pari Passu Distribution Amount and as to which an equal reserve shall be taken against the Tranche A Borrowing Base as a Specified Reserve (such amount, a "***Designated Additional Obligation Pari Passu Distribution Amount***" and such obligations (to the extent a Specified Reserve equal to such Designated Additional Obligation Pari Passu Distribution Amount exists with respect to such Specified Additional Obligations), "***Pari Passu Distribution Additional Obligations***"); ***provided***, that no such Designated Additional Obligation Pari Passu Distribution Amount with respect to any obligations shall constitute Pari Passu Distribution Additional Obligations (and no such Specified Reserve shall be established by the Administrative Agent in connection therewith) to the extent that, at the time of delivery of the applicable Additional Obligation Designation Notice and after giving effect to such Designated Additional Obligation Pari Passu Distribution Amount (including any Specified Reserve with respect to such Pari Passu Distribution Additional Obligations to be established by the Administrative Agent in connection therewith), the difference between Tranche A Availability and the Tranche A Revolving Extensions of Credit then outstanding would be less than zero (it being understood, for the avoidance of doubt, that in such a case (1) a Specified Reserve shall be established in an amount equal to the amount that will cause the difference between Tranche A Availability and the Tranche A Revolving Extensions of Credit then outstanding (after giving to such Specified Reserve) to equal zero, (2) the Designated Additional Obligation Pari Passu Distribution Amount in respect of such obligations shall be deemed to equal the amount of such Specified Reserve and (3) a portion of the Secured Obligations in respect of such obligations equal to the amount of such Specified Reserve ***plus*** any accrued interest or fees in respect of such Designated Additional Obligation Pari Passu Distribution Amount shall constitute Pari Passu Distribution Additional Obligations to the extent such Specified Reserve exists).

414. The Borrower and the applicable Hedge Bank or counterparty, as applicable, may increase, decrease or terminate any Designated Hedge Pari Passu Distribution Amount or Designated Additional Obligation Pari Passu Distribution Amount, as applicable, in respect of a Specified Hedge Agreement or other obligations, respectively, upon written notice to the Administrative Agent, in which case the Administrative Agent shall promptly make a corresponding adjustment to the Specified Reserve with respect thereto; ***provided***, that any increase in a Designated Hedge Pari Passu Distribution Amount or Designated Additional Obligation Pari Passu Distribution Amount, as applicable, shall be deemed to be a new designation of a Designated Hedge Pari Passu Distribution Amount or Designated Additional Obligation Pari Passu Distribution Amount, as applicable, pursuant to a new Hedge Designation Notice or Additional Obligation Designation Notice, respectively, and shall be subject to the limitations set forth in **Section 9.12(b)** or **Section 9.12(c)**, as applicable. For the avoidance of doubt, obligations under any Hedge Agreement designated pursuant to this **Section 9.12** in excess of the applicable Designated Hedge Pari Passu Distribution Amount, and obligations under any Specified Additional Obligations designated pursuant to this **Section 9.12** in excess of the applicable Designated Additional Obligation Pari Passu Distribution Amount, shall in each case constitute Secured Obligations under a Specified Hedge Agreement or Specified Additional Obligation, as applicable, but shall be entitled to a lesser priority of payment as set forth in **Section 6.6** of the Guarantee and Collateral Agreement.

**jo. Joint Lead Arrangers, Joint Bookrunners, Syndication Agent and Co-Documentation Agents**

None of the Joint Lead Arrangers, Joint Bookrunners, the Syndication Agent or the Co-Documentation Agents shall have any duties or responsibilities hereunder in their respective capacities.

**Section X.**

**MISCELLANEOUS**

**jp. Amendments and Waivers.**

415. Except to the extent otherwise expressly set forth in this Agreement (including **Sections 2.26**, **7.11** and **10.16**) or the applicable Loan Documents, neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this **Section 10.1**.

The Required Lenders and each Loan Party and Local Borrowing Subsidiary party to the relevant Loan Document may, subject to the acknowledgment of the Administrative Agent, or, with the written consent of the Required Lenders, the Administrative Agent and each Loan Party and Local Borrowing Subsidiary party to the relevant Loan Document may, from time to time, (i) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding, deleting or otherwise modifying any provisions to this Agreement or the other Loan Documents or changing in any manner the rights or obligations of the Agents, the Issuing Lenders, the Swingline Lender or the Lenders or of the Loan Parties or their Subsidiaries or the Local Borrowing Subsidiaries hereunder or thereunder or (ii) waive, on such terms and conditions as the Required Lenders or the Administrative Agent may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; ***provided***, ***however***, that no such waiver and no such amendment, supplement or modification shall:

ac. forgive or reduce the principal amount or extend the final scheduled date of maturity of any Loan, reduce the stated rate of any interest, fee or premium payable

hereunder (except (x) in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Required Lenders) and (y) that any amendment or modification of defined terms used in the financial ratios in this Agreement shall not constitute a reduction in the rate of interest or fees for purposes of this **clause (A)**) or extend the scheduled date of any payment thereof, or increase the amount or extend the expiration date of any Lender's Commitment, in each case without the written consent of each Lender directly and adversely affected thereby, which such consent of each Lender directly and adversely affected thereby shall be sufficient to effect such waiver without regard for a Required Lender consent;

ad. amend, modify or waive any provision of paragraph (a) of this **Section 10.1** without the written consent of all Lenders;

ae. reduce any percentage specified in the definition of Required Lenders or Supermajority Lenders, consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents (except as provided in **Section 7.4(j)**), release all or substantially all of the Collateral or release all or substantially all of the Guarantors from their obligations under the Guarantee and Collateral Agreement, in each case without the written consent of all Lenders (except as expressly permitted hereby (including pursuant to **Section 7.4** or **7.5**) or by any Security Document);

af. amend, modify or waive any provision of paragraph (a) or (c) of **Section 2.18** or **Section 6.6** of the Guarantee and Collateral Agreement without the written consent of all Lenders directly and adversely affected thereby;

ag. reduce the number of Appraisals, investigations, reviews, verifications and field examinations conducted and reports provided pursuant to **Section 6.14** without the written consent of Supermajority Lenders;

ah. reduce the percentage specified in the definition of Majority Facility Lenders with respect to any Facility without the written consent of all Lenders under such Facility, which consent shall be sufficient to effect such waiver under the applicable Facility without regard for a Required Lender consent;

ai. amend, modify or waive any provision of **Section 9** with respect to any Agent without the written consent of such Agent;

aj. amend, modify or waive any provision of **Section 3** with respect to any Issuing Lender without the written consent of such Issuing Lender;

ak. [reserved];

al. amend, modify or waive any provision of **Section 2.6** without the written consent of the Swingline Lender;

am. affect the rights or duties of each Local Fronting Lender under this Agreement or the other Loan Documents without the written consent of such Local Fronting Lender; or

an. amend, supplement or otherwise modify or waive any of the terms and provisions (and related definitions) related to the Borrowing Base (including an amendment for the purpose of establishing any additional borrowing base in respect of assets owned by Foreign Subsidiaries) and any provisions (including advance rates) relating to the Maximum Availability, Availability or Revolving Extensions of Credit in any manner that has the effect of increasing the amounts available to be borrowed hereunder without the written consent of the Supermajority Lenders; ***provided***, ***however***, that the foregoing shall not apply to any such waivers, consents or other modifications related to the Borrowing Base or any provisions relating to the Maximum Availability, Availability or Revolving Extensions of Credit that have the effect of increasing the amounts available to be borrowed hereunder to the extent expressly permitted hereunder, which waivers, consents or other modifications shall not, for the avoidance of doubt, constitute amendments, supplements or other modifications subject to this **Section 10.1(a)**.

Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Loan Parties, the Local Borrowing Subsidiaries, the Lenders, the Issuing Lender, the Agents and all future holders of the Loans. In the case of any waiver, the Loan Parties, the Lenders, the Issuing Lender and the Agents shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing unless limited by the terms of such waiver; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

Notwithstanding anything to the contrary herein, any amendment, modification, waiver or other action which by its terms requires the consent of all Lenders, all Revolving Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders, except that (x) the Commitment of any such Defaulting Lender may not be increased or extended, the maturity of the Loans of any such Defaulting Lender may not be extended, the rate of interest on any of such Loans may not be reduced and the principal amount of any of such Loans may not be forgiven, in each case without the consent of such Defaulting Lender and (y) any amendment, modification, waiver or other action that by its terms adversely affects any such Defaulting Lender in its capacity as a Lender in a manner that differs in any material respect from, and is more adverse to such Defaulting Lender than it is to, other affected Lenders shall require the consent of such Defaulting Lender.

416. Any waiver, amendment, supplement or modification otherwise permitted pursuant to **Section 10.1(a)** shall not be permitted to the extent that such waiver, amendment, supplement or modification

cxxi. **Tranche A Revolving Facility**

ao. amends, supplements or otherwise modifies or waives any of the terms and provisions (and related definitions) related to the Tranche A Borrowing Base or the Tranche A Revolving Borrowing Base (in each case, including an amendment for the purpose of establishing any additional borrowing base in respect of assets owned by Foreign Subsidiaries) or any provisions (including advance rates) relating to the Tranche A Availability or Tranche A Revolving Extensions of Credit, in each case, in any manner that has the effect of increasing the amounts available to be borrowed from the Tranche A

Revolving Lenders hereunder without the written consent of the Supermajority Tranche A Revolving Lenders; *provided*, that the foregoing shall not apply to any such waivers, consents or other modifications related to the Tranche A Borrowing Base or the Tranche A Revolving Borrowing Base or any provisions relating to the Tranche A Availability or Tranche A Revolving Extensions of Credit that have the effect of increasing the amounts available to be borrowed hereunder to the extent expressly permitted hereunder with the approval of the Administrative Agent, the Required Tranche A Revolving Lenders and the Required SISO Term Lenders, which waivers, consents or other modifications shall not, for the avoidance of doubt, constitute amendments, supplements or other modifications subject to this Section 10.1(b)(i)(A) (for avoidance of doubt, it being understood that this Clause (A) shall not limit the discretion of the Administrative Agent to change, establish or eliminate any reserves (other than the Push Down Reserve) in accordance with customary banking practices for comparable asset-based transactions and otherwise consistent with past practices);

ap. amends, supplements or otherwise modifies or waives any term of this Agreement or any other Loan Document in a manner that adversely and disproportionally affects the rights of the Tranche A Revolving Lenders as compared to other Revolving Lenders without the written consent of the Required Tranche A Revolving Lenders;

aq. reduces any percentage specified in the definition of Required Tranche A Revolving Lenders or Supermajority Tranche A Revolving Lenders without the written consent of all Tranche A Revolving Lenders;

ar. amends, supplements or otherwise modifies or waives

(I) any provision of **Section 5.2(b)** in respect of a Default or Event of Default arising pursuant to **Section 7.1** if after giving effect to such amendment, supplement, modification or waiver, Excess Availability would be less than the Financial Covenant Block, or

(II) the last sentence of **Section 5.2**, in each case, without the written consent of the Required Tranche A Revolving Lenders;

as. amends, supplements or otherwise modifies or waives any provision of **Section 6.2(b)** or **Section 7.1** (or component definitions used in **Section 7.1**) that has the effect of

(I) changing the calculation of Specified Availability Fixed Charge Coverage Ratio in a manner more favorable to the Loan Parties,

(II) reducing the frequency of testing or reporting of the Specified Availability Fixed Charge Coverage Ratio or

(III) reducing the amount of Excess Availability required to be maintained pursuant **Section 7.1** (including by changing the Specified Availability Fixed Charge Coverage Ratio set forth therein), without the written consent of the Required Tranche A Revolving Lenders;

at. amends, supplements or otherwise modifies or waives any provision of **Section 2.33** or the definition of "Protective Advances" in any manner that has the effect of increasing the aggregate principal amount of Protective Advances permitted to be made, without the written consent of the Required Tranche A Revolving Lenders;

au. amends, supplements or otherwise modifies or waives any provision of **Section 10.6(i)** to permit the assignments of Commitments or Loans to the Sponsor, any Affiliate thereof, Holdings or any of its Subsidiaries, without the written consent of the Required Tranche A Revolving Lenders;

av. amends, supplements or otherwise modifies or waives any provision of **Section 6.2(g)(i)** or any other provision of the Credit Agreement in any manner that reduces the frequency of the delivery of Borrowing Base Certificates or eliminates any requirement to deliver Borrowing Base Certificates as set forth in **Section 6.2(g)(i)** or such other provision of the Credit Agreement, without the written consent of the Required Tranche A Revolving Lenders;

aw. amends, supplements or otherwise modifies or waives any provision of any Loan Document to add new tranches or classes of Loans that are senior to or pari passu in right of payment with the SISO Term Loans or the Tranche A Revolving Loans, without the written consent of the Required Tranche A Revolving Lenders;

ax. amends, supplements or otherwise modifies or waives any provision of **Section 6.14** permitting the Required SISO Term Lenders to cause to be conducted Appraisals, field examinations and the other collateral monitoring activities permitted to be conducted pursuant thereto as of the Amendment No. 7 Effective Date, without the written consent of the Required Tranche A Revolving Lenders;

ay. amend, modify or waive any provision of **paragraph (c)** of **Section 2.11** or Section 6.6 of the Holdings Guarantee and Pledge Agreement without the written consent of all Tranche A Revolving Lenders directly and adversely affected thereby;

az. amends, modifies or waives any provision of **paragraph (b)(i)**, **(b)(iii)** or **(b)(iv)** of this **Section 10.1** without the written consent of all Tranche A Revolving Lenders directly and adversely affected thereby; or

ba. amends, modifies or waives the last sentence of **Section 10.15(a)** without the written consent of the Required Tranche A Revolving Lenders;

cxxii. **SISO Term Facility**

bb. amends, supplements or otherwise modifies or waives any of the terms and provisions (and related definitions) related to the Tranche A Borrowing Base or the Tranche A Revolving Borrowing Base (in each case, including an amendment for the purpose of establishing any additional borrowing base in respect of assets owned by Foreign Subsidiaries) or any provisions (including advance rates) relating to the Tranche A Availability or Tranche A Revolving Extensions of Credit, in each case, in any manner that has the effect of increasing the amounts available to be borrowed from the Tranche A Revolving Lenders hereunder, without the written consent of the Supermajority SISO Term Lenders; *provided*, that the foregoing shall not apply to any such waivers, consents

or other modifications related to the Tranche A Borrowing Base or the Tranche A Revolving Borrowing Base or any provisions relating to the Tranche A Availability or Tranche A Revolving Extensions of Credit that have the effect of increasing the amounts available to be borrowed hereunder to the extent expressly permitted hereunder with the approval of the Administrative Agent, the Required Tranche A Revolving Lenders and the Required SISO Term Lenders, which waivers, consents or other modifications shall not, for the avoidance of doubt, constitute amendments, supplements or other modifications subject to this Section 10.1(b)(ii)(A) (for avoidance of doubt, it being understood that this Clause (A) shall not limit the discretion of the Administrative Agent to change, establish or eliminate any reserves (other than the Push Down Reserve) in accordance with customary banking practices for comparable asset-based transactions and otherwise consistent with past practices);

bc. amends, supplements or otherwise modifies or waives any term of this Agreement or any other Loan Document in a manner that adversely and disproportionally affects the rights of the SISO Term Lenders as compared to other Lenders, without the written consent of the Required SISO Term Lenders;

bd. reduces any percentage specified in the definition of Required SISO Term Lenders or Supermajority SISO Term Lenders, without the written consent of all SISO Term Lenders;

be. amends, supplements or otherwise modifies or waives

(I) any provision of **Section 5.2(b)** in respect of a Default or Event of Default arising pursuant to **Section 7.1** if after giving effect to such amendment, supplement, modification or waiver, Excess Availability would be less than the Financial Covenant Block, or

(II) the last sentence of **Section 5.2**, in each case, without the written consent of the Required SISO Term Lenders;

bf. amends, supplements or otherwise modifies or waives any provision of **Section 6.2(b)** or **Section 7.1** (or component definitions used in **Section 7.1**) that has the effect of

(I) changing the calculation of Specified Availability Fixed Charge Coverage Ratio in a manner more favorable to the Loan Parties,

(II) reducing the frequency of testing or reporting of the Specified Availability Fixed Charge Coverage Ratio or

(III) reducing the amount of Excess Availability required to be maintained pursuant **Section 7.1** (including by changing the Specified Availability Fixed Charge Coverage Ratio set forth therein), without the written consent of the Required SISO Term Lenders;

bg. amends, supplements or otherwise modifies or waives any provision of **Section 2.33** or the definition of "Protective Advances" in any manner that has the effect

of increasing the aggregate principal amount of Protective Advances permitted to be made, without the written consent of the Required SISO Term Lenders;

bh. amends, supplements or otherwise modifies or waives any provision of **Section 10.6(i)** to permit the assignments of Commitments or Loans to the Sponsor, any Affiliate thereof, Holdings or any of its Subsidiaries, without the written consent of the Required SISO Term Lenders;

bi. amends, supplements or otherwise modifies or waives any provision of **Section 6.2(g)(i)** or any other provision of the Credit Agreement in any manner that reduces the frequency of the delivery of Borrowing Base Certificates or eliminates any requirement to deliver Borrowing Base Certificates as set forth in **Section 6.2(g)(i)** or such other provision of the Credit Agreement, without the written consent of the Required SISO Term Lenders;

bj. amends, supplements or otherwise modifies or waives any provision of any Loan Document to add new tranches or classes of Loans that are senior to or pari passu in right of payment with the SISO Term Loans or the Tranche A Revolving Loans, without the written consent of the Required SISO Term Lenders;

bk. amends, supplements or otherwise modifies or waives any provision of **Section 6.14** permitting the Required SISO Term Lenders to cause to be conducted Appraisals, field examinations and the other collateral monitoring activities permitted to be conducted pursuant thereto as of the Amendment No. 7 Amendment Date, without the written consent of the Required SISO Term Lenders;

bl. amend, modify or waive any provision of **paragraph (c)** of **Section 2.11** or Section 6.6 of the Holdings Guarantee and Pledge Agreement without the written consent of all SISO Term Lenders directly and adversely affected thereby;

bm. amends, modifies or waives any provision of **paragraph (b)(ii), (b)(iii)** or **(b)(iv)** of this **Section 10.1** without the written consent of all SISO Term Lenders directly and adversely affected thereby; or

bn. amends, modifies or waives the last sentence of **Section 10.15(a)** without the written consent of the Required SISO Term Lenders;

cxxiii. **Class Voting.**

bo. directly or indirectly, amends or modifies the definition of "Applicable Margin" to increase

i. the interest rate in respect of the Tranche A Revolving Loans without a corresponding increase (taking into account any changes to any "LIBOR floor" or "Eurocurrency Rate floor" or similar floor in connection with such amendment or modification, to the extent such floor is greater than the Eurocurrency Rate in effect for an Interest Period of three months at such time) in the interest rate of the SISO Term Loans or

ii.the interest rate in respect of the SISO Term Loans without a corresponding increase in the interest rate (taking into account any changes to any "LIBOR floor" or "Eurocurrency Rate floor" or similar floor in connection with such amendment or modification, to the extent such floor is greater than the Eurocurrency Rate in effect for an Interest Period of three months at such time) of the Tranche A Revolving Loans;

bp. amends or modifies any provision of the Credit Agreement or any other Loan Document to add any "call premium", "prepayment premium" or "make-whole amount", "exit fee" or any similar fee in respect of the prepayment or repayment of the Tranche A Revolving Loans or the SISO Term Loans;

bq. amends or modifies the definition of "Required Lenders", "Supermajority Lenders", "Majority Facility Lenders", "Required SISO Term Lenders", "Supermajority SISO Term Lenders", "Required Tranche A Revolving Lenders" or "Supermajority Tranche A Revolving Lenders;

br. amends, supplements or otherwise modifies or waives any provision of **Section 2.33** or the definition of "Protective Advances" in any manner that has the effect of increasing the aggregate principal amount of Protective Advances permitted to be made;

bs. amends, supplements or otherwise modifies or waives any provision of **Section 10.7** to alter the pro rata sharing or application of payment required thereby; or

bt. of the last sentence of **Section 10.15(a)**, or the requirement to deliver a pro forma Borrowing Base Certificate pursuant to **Section 10.15(a)**;

in each case of clauses (A) through (F) of this **paragraph (b)(iii)** of this **Section 10.1**, (x) to the extent the Tranche A Revolving Lenders are adversely affected thereby, without the written consent of the Required Tranche A Revolving Lenders or (y) to the extent the SISO Term Lenders are adversely affected thereby, without the written consent of the Required SISO Term Lenders.

cxxiv.**Additional Supermajority Voting.** Without the consent of Supermajority Lenders, amend, modify or waive any provision of **Section 6.1**, **6.2(b)**, **6.6** or (other than as set forth **paragraph (b)(ii)** of this **Section 10.1**) **6.14**, in each case, in a direct and adverse manner to any non-consenting Tranche A Revolving Lender or SISO Term Lender.

417. Any waiver, amendment, supplement or modification otherwise permitted pursuant to **Section 10.1(a)** shall not be permitted to the extent that such waiver, amendment, supplement or modification, amends, supplements or modifies the rights, duties or obligations of an Agent without the written consent of such Agent directly and adversely affected thereby.

418. In addition, notwithstanding the foregoing, this Agreement or any other Loan Document may be amended with the written consent of the Administrative Agent (not to be unreasonably withheld, delayed or conditioned), the Borrower and the Lenders providing the relevant Refinancing Revolving Commitments or Refinancing Term Loans (each as defined below), as may be necessary or appropriate, in the opinion of the Borrower and the Administrative Agent, to provide for the incurrence of Permitted Revolving Refinancing Obligations (or, solely after the occurrence of the Tranche A Revolving Discharge

Date, Permitted SISO Refinancing Obligations) under this Agreement in the form of a new tranche of Revolving Commitments hereunder ("***Refinancing Revolving Commitments***"), which Refinancing Revolving Commitments will be used to refinance or replace all of the Revolving Commitments hereunder ("***Refinanced Revolving Commitments***") or, solely after the occurrence of the Tranche A Revolving Discharge Date, a new tranche of term loans hereunder ("***Refinancing Term Loans***"), which Refinancing Term Loans will be used to refinance or replace all of the SISO Term Loans hereunder ("***Refinanced Term Loans***"); ***provided***, that

cxxv.(x) the aggregate amount of such Refinancing Revolving Commitments shall not exceed the aggregate amount of such Refinanced Revolving Commitments (***plus*** accrued interest, fees, discounts, premiums and expenses and any amounts necessary or appropriate to Cash Collateralize any then outstanding Letters of Credit) and (y) the aggregate amount of such Refinancing Term Loans shall not exceed the aggregate amount of such Refinanced Term Loans (***plus*** accrued interest, fees, discounts, premiums and expenses); and

cxxvi.in connection with any amendments relating to the Refinancing Revolving Commitments or the Refinancing Term Loans, the Administrative Agent and the Collateral Agent may be substituted by the Borrower and any Person designated by the Lenders providing the relevant Refinancing Revolving Commitments or the Refinancing Term Loans pursuant to customary agency transfer documentation (it being understood that such Person shall become and succeed the then-current Administrative Agent and Collateral Agent as the Administrative Agent and Collateral Agent).

Any Refinancing Revolving Commitments that have the same terms shall constitute a single Tranche hereunder, and Any Refinancing Term Loans that have the same terms shall constitute a single Tranche hereunder. The Borrower shall notify the Administrative Agent of the date on which the Borrower proposes that such Refinancing Revolving Commitments or such Refinancing Term Loans shall become effective, which shall be a date not less than 10 Business Days (or such shorter period as the Administrative Agent may agree to) after the date on which such notice is delivered to the Administrative Agent; ***provided***, that no such Refinancing Revolving Commitments or Refinancing Term Loans, and no amendments relating thereto, shall become effective, unless the Borrower shall deliver or cause to be delivered documents of a type comparable to those described under **clause (i)** of **Section 2.26(b)** to the extent reasonably requested by the Administrative Agent (or successor thereto, as applicable). Any Lender providing Refinancing Revolving Commitments or Refinancing Term Loans, if it is not already a Lender party to the Agreement Among Lenders, shall deliver to the Administrative Agent an acknowledgment to the Agreement Among Lenders substantially in the form of Exhibit A thereto, acknowledging the agreement of such Lender to be an Additional Holder (as defined in the Agreement Among Lenders) and such acknowledgment shall be a condition precedent to any such Refinancing Revolving Commitments or Refinancing Term Loans.

419. Furthermore, notwithstanding the foregoing, if following the Closing Date, the Administrative Agent and the Borrower shall have jointly identified an ambiguity, mistake, omission, defect, or inconsistency, in each case, in any provision of this Agreement or any other Loan Document, then the Administrative Agent and the Borrower shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to this Agreement or any other Loan Document if the same is not objected to in writing by the Required Lenders within five Business Days following receipt of notice thereof; it being understood that posting such amendment electronically on the Platform to the Required Lenders shall be deemed adequate receipt of notice of such amendment. After the Amendment No. 5 Effective Date, the Primary Administrative

Agent and the Borrower shall be permitted to amend the Loan Documents to make such changes to the mechanical and agency provisions thereof as may be necessary or appropriate to better effectuate or memorialize the appointment and/or joinder of the Tranche B Administrative Agent and/or the implementation of the Tranche B Term Facility without the consent of any other party hereto.

420. Furthermore, notwithstanding the foregoing, this Agreement may be amended, supplemented or otherwise modified in accordance with **Sections 2.26**, **7.11** and **10.16**.

**jq. Notices; Electronic Communications.**

421. All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered or posted to the Platform, or three Business Days after being deposited in the mail, postage prepaid, hand delivered or, in the case of telecopy notice, when sent (except in the case of a telecopy notice not given during normal business hours (New York time) for the recipient, which shall be deemed to have been given at the opening of business on the next Business Day for the recipient), addressed as follows in the case of the Borrower or the Agents, and as set forth in an administrative questionnaire delivered to the Administrative Agent in the case of the Lenders, or to such Person or at such other address as may be hereafter notified by the respective parties hereto:

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| The Borrower: | Revlon Consumer Products Corporation<br>One New York Plaza<br>New York, New York 10004<br>Attention: Michael T. Sheehan, Senior Vice President, Deputy General Counsel and Secretary<br>Telephone: (212) 527-5539<br>Email: Michael.Sheehan@revlon.com<br>Attention: Eric Warren<br>Email: Eric.Warren@revlon.com<br><br>Attention: Donald Eng<br>Email: Donald.Eng@revlon.com |
| With a copy (which shall not constitute notice) to: | Paul, Weiss, Rifkind, Wharton &Garrison LLP<br>1285 Avenue of the Americas<br>New York, New York 10019-6064<br>Attention: Catherine Goodall<br>Telecopy: (212) 492-0919<br>Telephone: (212)373-3919<br>Email: CGoodall@paulweiss.com |

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| Agents (other than the Tranche B Administrative Agent): | For loan borrowing notices, continuations, conversions, and payments:<br><br>Citibank, N.A.<br>Citigroup / ABTF Global Loans<br>1615 Brett Road<br>New Castle, DE 19720<br>Attention: Kimberly M. Shelton<br>Email: Kimberly.Shelton@citi.com<br>For financial statements, certificates, other information:<br><br>Citibank, N.A.<br>Asset Based & Transitional Finance<br>390 Greenwich Street, 1st Fl<br>New York, NY 10013<br>Attention: David Smith<br>Email: David.l2.Smith@citi.com |
| With a copy (which shall not constitute notice) to: | Latham & Watkins LLP<br>885 Third Avenue<br>New York, NY 10022<br>Attention: Eugene Mazzaro / Alfred Xue<br>Telecopy: (212) 751-4864<br>Telephone: (212) 906-1200<br>Email: Eugene.Mazzaro@lw.com / Alfred.Xue@lw.com |
| Tranche B Administrative Agent | For loan borrowing notices, continuations, conversions, and payments:<br><br>Alter Domus (US) LLC<br>225 W. Washington Street, 9th Floor<br>Chicago, Illinois 60606<br>Attention: Legal Department and Steve Lenard<br>Email: legal@alterdomus.com and cpcagency@alterdomus.com |
| With a copy (which shall not constitute notice) to: | Holland & Knight LLP<br>150 N. Riverside Plaza, Suite 2700<br>Chicago, Illinois 60606<br>Attention: Joshua M. Spencer<br>Email: joshua.spencer@hklaw.com |

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| Issuing Lenders: | Citibank, N.A.<br>Citigroup / ABTF Global Loans<br>1615 Brett Road<br>New Castle, DE 19720<br>Attention: Kimberly M. Shelton<br>Email: Kimberly.Shelton@citi.com<br><br>JPMorgan Chase Bank, N.A.<br>925 Westchester Avenue, 3rd Floor<br>White Plains, NY 10604<br>Attention: Donna DiForio<br>Email: Donna.DiForio@jpmorgan.com<br><br>Bank of America, N.A.<br>Business Capital-Trade & International Services Group<br><br>450 B Street, Suite 430<br>San Diego, CA 92101<br>Attention: JoAnn Regina<br>Vice President, Credit Support Manager<br>Telecopy: (619) 515-5793<br>Telephone: (904) 312-5688<br>Email: JoAnn.Regina@BAML.com |
| Swingline Lender: | Citibank, N.A.<br>Citigroup / ABTF Global Loans<br>1615 Brett Road<br>New Castle, DE 19720<br>Attention: Kimberly M. Shelton<br>Email: Kimberly.Shelton@citi.com |

***provided***, that any notice, request or demand to or upon the Agents, the Lenders or the Borrower shall not be effective until received.

422. Notices and other communications to the Lenders hereunder may be delivered or furnished by posting to the Platform or by any electronic communications pursuant to procedures approved by the Administrative Agent; ***provided***, that the foregoing shall not apply to notices pursuant to **Section 2** unless otherwise agreed by the Administrative Agent and the applicable Lender. Any 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.

423. The Borrower, each Agent and each Lender hereby acknowledges that (i) Holdings, the Borrower, the Administrative Agent and/or the Joint Lead Arrangers will make available to the Lenders, the Issuing Lenders and the Swingline Lender materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "***Borrower Materials***") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "***Platform***") and (ii) certain of the Lenders (each, a

"***Public Lender***") may have personnel who do not wish to receive information other than information that is publicly available, or not material with respect to Holdings, the Borrower or its Subsidiaries, or their respective securities, for purposes of the United States Federal and state securities laws (collectively, "***Public Information***"). The Borrower hereby agrees that it will use commercially reasonable efforts to identify that portion of the Borrower Materials that is Public Information and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Issuing Lenders, the Swingline Lender and the Lenders to treat such Borrower Materials as containing only Public Information (although it may be sensitive and proprietary) (***provided***, ***however***, that to the extent such Borrower Materials constitute Confidential Information, they shall be treated as set forth in **Section 10.14**); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information"; ***provided***, that there is no requirement that the Borrower identify any such information as "PUBLIC."

424. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Persons (collectively, the "***Agent Parties***") have any liability to the Borrower, any Lender, any Issuing Lender, the Swingline Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Agent Party or any of its Related Persons; ***provided***, ***however***, that in no event shall any Agent Party have any liability to the Borrower, any Lender, any Issuing Lender, the Swingline Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

425. Each of the Borrower, the Administrative Agent, each Issuing Lender and the Swingline Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to such other Persons. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, each Issuing Lender and the Swingline Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States Federal

securities laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain information other than Public Information.

426. The Administrative Agent, the Issuing Lenders, the Swingline Lender and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices of borrowing) believed in good faith by the Administrative Agent to be given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

**jr. No Waiver; Cumulative Remedies.**

427. No failure to exercise and no delay in exercising, on the part of any Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

428. Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or the Local Borrowing Subsidiaries or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with **Section 8.1** for the benefit of all the Lenders, the Issuing Lenders and the Swingline Lender; ***provided***, ***however***, that the foregoing shall not prohibit (i) each Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Agent) hereunder and under the other Loan Documents, (ii) each Issuing Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as Issuing Lender, as the case may be) hereunder and under the other Loan Documents and the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as Swingline Lender, as the case may be) hereunder and under the other Loan Documents, (iii) any Lender from exercising setoff rights in accordance with **Section 10.7(b)** or **(c)**, as applicable (subject to the terms of **Section 10.7(a)**), or (iv) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party or Local Borrowing Subsidiary under any Debtor Relief Law.

**js. Survival of Representations and Warranties**

All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

**jt. Payment of Expenses; Indemnification**

Except with respect to Taxes which are addressed in **Section 2.20**, the Borrower agrees:

429. to pay or reimburse each Agent and SISO Term Lender for all of their respective reasonable and documented out-of-pocket costs and expenses incurred in connection with the syndication of the Facilities (other than fees payable to syndicate members), any Appraisals in accordance with the terms hereof, and the development, preparation, execution and delivery of this Agreement, the other Loan Documents, the Agreement Among Lenders and any other documents prepared in connection herewith or therewith and any amendment, supplement or modification hereto or thereto, and, as to the Agents only, the administration of the transactions contemplated hereby and thereby, including the reasonable fees and disbursements and other charges of a single firm of counsel to the Agents (other than the Tranche B Administrative Agent) (plus one firm of special regulatory counsel and one firm of local counsel per material jurisdiction as may reasonably be necessary in connection with collateral matters), a single firm of counsel to the SISO Term Lenders taken as a whole, a single firm of counsel to the Tranche B Administrative Agent and a financial advisor to the Primary Administrative Agent in connection with Amendment No. 5 and the 2021 Notes Exchange (which, in respect of fees of such financial advisor, shall be capped at $250,000 for services rendered through the earlier of the termination of the exchange in respect of the 2021 Notes and November 15, 2020), in each case, in connection with all of the foregoing;

430. (i) to pay or reimburse each Lender and each Agent for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement of any rights under this Agreement, the other Loan Documents, the Agreement Among Lenders and any such other documents referred to in **Section 10.5(a)** above (including all such costs and expenses incurred in connection with any legal proceeding, including any proceeding under any Debtor Relief Law or in connection with any workout or restructuring), including the documented fees and disbursements of a single firm of counsel to the Lenders (other than the SISO Term Lenders) taken as a whole, a single firm of counsel to the SISO Term Lenders taken as a whole (provided, that before incurring any such fees and disbursements after the Amendment No. 7 Amendment Date, the applicable SISO Term Lenders shall provide written notice to the Borrowers that such counsel will be incurring fees and disbursements and describing the work for which such counsel has been engaged; provided further, however, such description of the work shall in no event be required to contain any Information which, in the judgment of the SISO Term Lenders' counsel, would reasonably be expected to waive or otherwise compromise the attorney-client or similar privilege), and, if necessary, a single firm of special regulatory counsel and a single firm of local counsel per material jurisdiction as may reasonably be necessary, for the Agents (other than the Tranche B Administrative Agent) and the Lenders, taken as a whole, a single firm of counsel for the Tranche B Administrative Agent and, in the event of an actual or perceived conflict of interest, where the Agent or Lender affected by such conflict informs the Borrower and thereafter retains its own counsel, one additional counsel for each Lender or Agent or group of Lenders or Agents subject to such conflict; and (ii) to pay or reimburse each Tranche A Revolving Lender for all other reasonable and documented out-of-pocket costs and expenses incurred in connection with this Agreement, the other Loan Documents or the Facilities which the Borrowers agree in writing with such Tranche A Revolving Lender are necessary or appropriate to be incurred by such Tranche A Revolving Lender in connection with the Facilities and notify the Primary Administrative Agent thereof (each such cost or expense, an "***Additional Lender Expense***"). For the avoidance of doubt, such Additional Lender Expense is a Tranche A Revolving Secured Obligation;

431. to pay, indemnify or reimburse each Lender, each Agent, each Issuing Lender, the Swingline Lender, each Joint Lead Arranger, each Joint Bookrunner and their respective Affiliates, and their respective partners that are natural persons, members that are natural persons, officers, directors, employees, trustees, advisors, agents and controlling Persons (each, an "***Indemnitee***") for, and hold each Indemnitee harmless from and against any and all other liabilities, obligations, losses, damages, penalties, costs, expenses or disbursements arising out of any actions, judgments or suits of any kind or nature

whatsoever, arising out of or in connection with any claim, action or proceeding (any of the foregoing, a "***Proceeding***") relating to or otherwise with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents, the Agreement Among Lenders and any such other documents referred to in **Section 10.5(a)** above and the transactions contemplated hereby and thereby, including any of the foregoing relating to the use of proceeds of the Loans, Letters of Credit (including any refusal by the 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) or the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of the Borrower, any of its Subsidiaries or any of the Properties and the reasonable fees and disbursements and other charges of any legal counsel in connection with claims, actions or proceedings by any Indemnitee against the Borrower hereunder (all the foregoing in this **clause (c)**, collectively, the "***Indemnified Liabilities***");

***provided***, that, the Borrower shall not have any obligation hereunder to any Indemnitee with respect to Indemnified Liabilities to the extent such Indemnified Liabilities have resulted from (i) the gross negligence, bad faith or willful misconduct of such Indemnitee or its Related Persons as determined by a court of competent jurisdiction in a final non-appealable decision, (ii) a material breach of the Loan Documents by such Indemnitee or its Related Persons as determined by a court of competent jurisdiction in a final non-appealable decision, (iii) disputes solely among Indemnitees or their Related Persons and not arising from any act or omission by any Parent Company, Holdings, Borrower or any of its Subsidiaries (it being understood that this **clause (iii)** shall not apply to the indemnification of an Agent or a Joint Lead Arranger in a suit involving an Agent or a Joint Lead Arranger, in each case, in its capacity as such, unless such suit has resulted from the gross negligence, bad faith or willful misconduct of such Agent or Joint Lead Arranger as determined by a court of competent jurisdiction in a final non-appealable decision) or (iv) except with respect to the Tranche B Administrative Agent, any settlement of any Proceeding effected without the Borrower's consent (which consent shall not be unreasonably withheld, conditioned or delayed), but if settled with the Borrower's written consent or if there is a judgment by a court of competent jurisdiction in any such Proceeding, the Borrower shall indemnify and hold harmless each Indemnitee from and against any and all losses, claims, damages, liabilities and expenses by reason of such settlement or judgment in accordance with the other provisions of this **Section 10.5**.

No Indemnitee referred to above shall be liable for any damages arising from the use by unintended recipients of any information or other material distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement, the other Loan Documents, the Agreement Among Lenders or the transactions contemplated hereby or thereby.

For purposes hereof, a "***Related Person***" of an Indemnitee means (i) if the Indemnitee is any Agent or any of its Affiliates or their respective partners that are natural persons, members that are natural persons, officers, directors, employees, agents and controlling Persons, any of such Agent and its Affiliates and their respective officers, directors, employees, agents and controlling Persons; ***provided***, that solely for purposes of **Section 9**, references to each Agent's Related Persons shall also include such Agent's trustees and advisors, and (ii) if the Indemnitee is any Lender or any of its Affiliates or their respective partners that are natural persons, members that are natural persons, officers, directors, employees, agents and controlling Persons, any of such Lender and its Affiliates and their respective officers, directors, employees, agents and controlling Persons. All amounts due under this **Section 10.5** shall be payable promptly after receipt of a reasonably detailed invoice therefor. Statements payable by the Borrower pursuant to this **Section 10.5** shall be submitted to the Borrower at the address thereof set forth in **Section 10.2**, or to such other Person or address as may be hereafter designated by the Borrower in a written notice to the Administrative Agent.

The agreements in this **Section 10.5** shall survive repayment of the Obligations.

**ju. Successors and Assigns; Participations and Assignments.**

432. 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 (including any Affiliate of any Issuing Lender that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder (other than in accordance with **Section 7.4(j)**) without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) subject to **Sections 2.24** and **2.26(e)**, no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this **Section 10.6**.

433. Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may, in compliance with applicable law, assign (other than to any Disqualified Institution or a natural person) to one or more assignees (each, an "***Assignee***"), all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed, it being understood that it shall be deemed reasonable for the Borrower to withhold such consent in respect of a prospective Lender if the Borrower reasonably believes such prospective Lender would constitute a Disqualified Institution) of:

(1) the Borrower; ***provided***, that no consent of the Borrower shall be required for an assignment of

(x) (A) Revolving Loans or Revolving Commitments to a Revolving Lender, an Affiliate of a Revolving Lender, or an Approved Fund of a Revolving Lender (other than a Defaulting Lender)

(B) SISO Term Loans to a SISO Term Lender, an Affiliate of a SISO Term Lender or an Approved Fund of a SISO Term Lender or

(y) any Loan or Commitment if an Event of Default under **Section 8.1(a)** or **8.1(f)** has occurred and is continuing, any other Person;

***provided***, ***further***, that a consent under this **clause (A)** shall be deemed given if the Borrower shall not have objected in writing to a proposed assignment within ten Business Days after receipt by it of a written notice thereof from the Administrative Agent;

(2) the Administrative Agent; ***provided***, that no consent of the Administrative Agent shall be required for an assignment to (i) a Lender (other than a Defaulting Lender) or (ii) an Affiliate or Approved Fund of a Lender to the extent such Affiliate or Approved Fund has delivered to the Administrative Agent an acknowledgment to the Agreement Among Lenders substantially in the form of Exhibit A thereto (or other documentation reasonably satisfactory to the Administrative Agent); and

(3) for an assignment of Revolving Loans or Revolving Commitments, each Swingline Lender.

cxxvii. Subject to **Sections 2.24** and **2.26(e)**, assignments shall be subject to the following additional conditions:

(1) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitments or Loans under any Facility, the amount of the Commitments or 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) shall not be less than $5,000,000 unless the Borrower and the Administrative Agent otherwise consent; ***provided***, that (1) no such consent of the Borrower shall be required if an Event of Default under **Section 8.1(a)** or **8.1(f)** has occurred and is continuing and (2) such amounts shall be aggregated in respect of each Lender and its Affiliates or Approved Funds, if any;

(2) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption via an electronic settlement system acceptable to the Administrative Agent and the Borrower (or, at the Borrower's request, manually) together with a processing and recordation fee of $3,500 to be paid by either the applicable assignor or assignee (which fee may be waived or reduced in the sole discretion of the Administrative Agent); ***provided***, that only one such fee shall be payable in the case of contemporaneous assignments to or by two or more related Approved Funds;

(3) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire and all documentation and other information reasonably determined by the Administrative Agent to be required by applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act; and

(4) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an acknowledgment to the Agreement Among Lenders, substantially in the form of Exhibit A thereto, acknowledging the agreement of such assignee to be an Additional Holder (as defined in the Agreement Among Lenders) and to be bound by the terms thereof. Failure of any assignment to satisfy the conditions set forth in this **paragraph (4)** of this **Section 10.6(b)(ii)** shall render such assignment null and void. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender has executed an acknowledgment of the Agreement Among Lenders or (y) have any liability with respect to or arising out of the execution or non-execution of any acknowledgement hereof.

For the purposes of this **Section 10.6**, "***Approved Fund***" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (I) a Lender, (II) an Affiliate of a Lender, (III) an entity or an Affiliate of an entity that administers or manages a Lender or (IV) an entity or an Affiliate of an entity that is the investment advisor to a Lender. Notwithstanding the foregoing, no Lender shall be permitted to make assignments under this Agreement to any Disqualified Institutions without the written consent of the Borrower.

cxxviii.Subject to acceptance and recording thereof pursuant to paragraph (b)(v) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto 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 subject to the obligations under and entitled to the benefits of **Sections 2.19**, **2.20**, **2.21**, **10.5** and **10.14**). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this **Section 10.6** 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 paragraph (c) of this **Section 10.6** (and will be required to comply therewith), other than any sale to a Disqualified Institution, which shall be null and void.

cxxix.The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "***Register***") (it being understood that the Register in respect of the Tranche B Facility (the "***Tranche B Register***") shall be maintained by the Tranche B Administrative Agent and the Register (other than in respect of the Tranche B Facility) (the "***Primary Register***") shall be maintained by the Primary Administrative Agent. The Borrower, the Local Borrowing Subsidiaries, the Primary Administrative Agent, the Tranche B Administrative Agent, the Issuing Lenders, the Swingline Lender 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 (and the entries in the Register shall be conclusive absent demonstrable error for such purposes), notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Local Borrowing Subsidiaries, the Issuing Lenders, the Swingline Lender and any Lender (in respect of its own position), at any reasonable time and from time to time upon reasonable prior notice. Upon the request of the Tranche B Administrative Agent, the Primary Administrative Agent shall share the Primary Register with the Tranche B Administrative Agent. Upon request of the Primary Administrative Agent, the Tranche B Administrative Agent shall the Tranche B Register with the Primary Administrative Agent. Notwithstanding any other language to the contrary contained herein or in any other Loan Documents, as of any particular date, the Tranche B Administrative Agent shall be entitled to rely conclusively upon the Primary Register as most recently delivered by the Primary Administrative Agent to the Tranche B Administrative Agent (including without limitation in connection with any determination as to which Lenders constitute the Required Lenders under this Agreement).

cxxx.Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee (except as contemplated by **Sections 2.24** and **2.26(e)**), the Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder) and all applicable tax forms, the processing and recordation fee and the acknowledgement to the Agreement Among Lenders referred to in paragraph (b) of this **Section 10.6** (unless, in the case of the processing and recordation fee, waived by the Administrative Agent) and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and promptly record the information contained therein in the Register. No assignment shall be effective for purposes of

this Agreement unless it has been recorded in the Register as provided in this paragraph, and failure of any assignment to satisfy the conditions set forth in **paragraph (4)** of **Section 10.6(b)(ii)** above shall render such assignment null and void.

434. Any Lender may, without the consent of any Person, in compliance with applicable law, sell participations (other than to any Disqualified Institution) to one or more banks or other entities (a "***Participant***"), in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); ***provided***, that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Local Borrowing Subsidiaries, the Administrative Agent, the Issuing Lenders, 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. Any agreement 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 may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender or each Lender directly and adversely affected thereby pursuant to the proviso to the second sentence of **Section 10.1** (or each Tranche A Revolving Lender or SISO Term Lender, or each Tranche A Revolving Lender or SISO Term Lender directly and adversely affected thereby, pursuant to **Section 10.1(b)(i)**, **(ii), (iii)**, or **(iv)**, as applicable) and (2) directly affects such Participant. Subject to paragraph (c)(ii) of this **Section 10.6**, the Borrower and Local Borrowing Subsidiaries agree that each Participant shall be entitled to the benefits of **Sections 2.19**, **2.20** and **2.21** (if such Participant agrees to have related obligations thereunder (it being understood that the documentation required under **Section 2.20** 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 paragraph (b) of this **Section 10.6**. Notwithstanding the foregoing, no Lender shall be permitted to sell participations under this Agreement to any Disqualified Institutions without the written consent of the Borrower.

cxxxi. A Participant shall not be entitled to receive any greater payment under **Section 2.19**, **2.20** or **2.21** than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent to such greater amounts. No Participant shall be entitled to the benefits of **Section 2.20** unless such Participant complies with **Section 2.20(e)**, **(g)** or **(j)**, as (and to the extent) applicable, as if such Participant were a Lender (it being understood that the documentation required under **Section 2.20** shall be delivered to the participating Lender).

cxxxii. Each Lender that sells a participation, acting solely for U.S. federal income tax purposes as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a register on which it enters the name and addresses of each Participant, and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement (the "***Participant Register***"); ***provided***, that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (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 this Agreement) except to the extent that the relevant parties, acting reasonably and in good faith, determine 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. Unless otherwise required by the IRS, any

disclosure required by the foregoing sentence shall be made by the relevant Lender directly and solely to the IRS. 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 (it its capacity as such) shall have no responsibility for maintaining a Participant Register.

435. Any Lender may, without the consent of or notice to the Administrative Agent or the Borrower, 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 any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority, and this **Section 10.6** shall not apply to any such pledge or assignment of a security interest; ***provided***, that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

436. The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring the same (in the case of an assignment, following surrender by the assigning Lender of all Notes representing its assigned interests).

437. The Borrower may prohibit any assignment if it would require the Borrower to make any filing with any Governmental Authority or qualify any Loan or Note under the laws of any jurisdiction and the Borrower shall be entitled to request and receive such information and assurances as it may reasonably request from any Lender or any Assignee to determine whether any such filing or qualification is required or whether any assignment is otherwise in accordance with applicable law.

438. [reserved].

439. [reserved].

440. None of the Sponsor, any Affiliate thereof, Holdings or any of its Subsidiaries may acquire by assignment, participation or otherwise any right to or interest in any of the Commitments or Loans hereunder (and any such attempted acquisition shall be null and void).

441. [reserved].

442. Notwithstanding anything to the contrary contained herein, the replacement of any Lender pursuant to **Section 2.24** or **2.26(e)** shall be deemed an assignment pursuant to **Section 10.6(b)** and shall be valid and in full force and effect for all purposes under this Agreement.

443. Any assignor of a Loan or Commitment or seller of a participation hereunder shall be entitled to rely conclusively on a representation of the assignee Lender or purchaser of such participation in the relevant Assignment and Assumption or participation agreement, as applicable, that such assignee or purchaser is not a Disqualified Institution. None of the Joint Lead Arrangers, the Joint Bookrunners or the Agents shall have any responsibility or liability for monitoring the list or identities of, or enforcing provisions relating to, Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) 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.

**jv. Adjustments; Set off.**

444. Except to the extent that this Agreement provides for payments to be allocated to a particular Lender or to the Lenders under a particular Facility, if any Lender (a "***Benefited Lender***") shall at any time receive any payment of all or part of the Obligations owing to it, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by setoff, pursuant to events or proceedings of the nature referred to in **Section 8.1(f)**, or otherwise) in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Obligations, such Benefited Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Obligations, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; ***provided***, ***however***, that (i) if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest and (ii) the provisions of this **Section 10.7** shall not be construed to apply to any payment made by any Loan Party or Local Borrowing Subsidiary pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant.

445. In addition to any rights and remedies of the Revolving Lenders provided by law, each Revolving Lender shall have the right, without prior notice to the Company, any such notice being expressly waived by the Company to the extent permitted by applicable law, upon any amount becoming due and payable by the Company hereunder (whether at the stated maturity, by acceleration or otherwise) after the expiration of any cure or grace periods, to set off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final but excluding trust accounts), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Revolving Lender or any Affiliate, branch or agency thereof to or for the credit or the account of the Company. Each Revolving Lender agrees promptly to notify the Company and the Administrative Agent after any such setoff and application made by such Revolving Lender; ***provided***, that the failure to give such notice shall not affect the validity of such setoff and application.

446. In addition to any rights and remedies of the Local Fronting Lenders provided by law, upon both the occurrence of an Event of Default and acceleration of the obligations owing in connection with this Agreement, each Local Fronting Lender shall have the right, without prior notice to the applicable Local Borrowing Subsidiary, any such notice being expressly waived to the extent permitted by applicable law, to set off and apply against any indebtedness, whether matured or unmatured, of such Local Borrowing Subsidiary to such Local Fronting Lender any amount owing from such Local Fronting Lender to such Local Borrowing Subsidiary at, or at any time after, the happening of both of the above mentioned events, and such right of set-off may be exercised by such Local Fronting Lender against such Local Borrowing Subsidiary or against any trustee in bankruptcy, debtor in possession, assignee for the benefit of creditors, receiver, custodian or execution, judgment or attachment creditor of such Local Borrowing Subsidiary, or against anyone else claiming through or against such Local Borrowing Subsidiary or such trustee in bankruptcy, debtor in possession, assignee for the benefit of creditors, receivers, or execution, judgment or attachment creditor, notwithstanding the fact that such right of set-off shall not have been exercised by such Local Fronting Lender prior to the making, filing or issuance, or service upon such Local Fronting Lender of, or of notice of, any such petition, assignment for the benefit of creditors, appointment or application for the appointment of a receiver, or issuance of execution, subpoena, order or warrant. Each Local Fronting Lender agrees promptly to notify the applicable Local

Borrowing Subsidiary and the Administrative Agent after any such set-off and application made by such Local Fronting Lender; ***provided***, ***however***, that the failure to give such notice shall not affect the validity of such set-off and application.

**jw. Counterparts**

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or electronic (i.e., "pdf" or "tiff") transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

**jx. Severability**

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

**jy. Integration**

This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Agents and the Lenders with respect to the subject matter hereof and thereof.

**jz. GOVERNING LAW**

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS TO THE EXTENT THAT THE SAME ARE NOT MANDATORILY APPLICABLE BY STATUTE AND THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

**ka. Submission to Jurisdiction; Waivers**

Each party hereto hereby irrevocably and unconditionally:

447. submits for itself and its Property in any legal action or proceeding relating to this Agreement and the other Loan Documents and any Letter of Credit to which it is a party to the exclusive general jurisdiction of the Supreme Court of the State of New York for the County of New York (the "***New York Supreme Court***"), and the United States District Court for the Southern District of New York (the "***Federal District Court***" and, together with the New York Supreme Court, the "***New York Courts***"), and appellate courts from either of them; ***provided***, that nothing in this Agreement shall be deemed or operate to preclude (i) any Agent from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations (in which case any party shall be entitled to assert any claim or defense, including any claim or defense that this **Section 10.12** would otherwise require to be asserted in a legal action or proceeding in a New York Court), or to enforce a judgment or other court order in favor of the Administrative Agent or the Collateral Agent, (ii) any party from bringing any legal action or proceeding in any jurisdiction for the recognition and enforcement of

any judgment and (iii) if all such New York Courts decline jurisdiction over any person, or decline (or in the case of the Federal District Court, lack) jurisdiction over any subject matter of such action or proceeding, a legal action or proceeding may be brought with respect thereto in another court having jurisdiction;

448. consents that any such action or proceeding may be brought in the New York Courts and appellate courts from either of them, and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

449. agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to it at its address set forth in **Section 10.2** or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

450. agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law; and

451. waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this **Section 10.12** of any special, exemplary, punitive or consequential damages (***provided***, that such waiver shall not limit the indemnification obligations of the Loan Parties to the extent such special, exemplary, punitive or consequential damages are included in any third party claim with respect to which the applicable Indemnitee is entitled to indemnification under **Section 10.5**).

**kb. Acknowledgments**

The Borrower hereby acknowledges that:

452. it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

453. neither the Agents nor any Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Agents and Lenders, on the one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor;

454. no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower and the Lenders;

455. no advisory or agency relationship between it and any Agent or Lender (in their capacities as such) is intended to be or has been created in respect of any of the transactions contemplated hereby,

456. the Agents and the Lenders, on the one hand, and the Borrower, on the other hand, have an arms-length business relationship,

457. 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,

458. each of the Agents and the Lenders is engaged in a broad range of transactions that may involve interests that differ from the interests of the Borrower and none of the Agents or the Lenders has any obligation to disclose such interests and transactions to the Borrower by virtue of any advisory or agency relationship, and

459. none of the Agents or the Lenders (in their capacities as such) has advised the Borrower as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction (including the validity, enforceability, perfection or avoidability of any aspect of any of the transactions contemplated hereby under applicable law, including the U.S. Bankruptcy Code or any consents needed in connection therewith), and none of the Agents or the Lenders (in their capacities as such) shall have any responsibility or liability to the Borrower with respect thereto and the Borrower has consulted with its own advisors regarding the foregoing to the extent it has deemed appropriate.

To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against the Agents and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

**kc. Confidentiality**

Each of the Agents and the Lenders agree to treat any and all information, regardless of the medium or form of communication, that is disclosed, provided or furnished, directly or indirectly, by or on behalf of the Borrower or any of its Affiliates in connection with this Agreement or the transactions contemplated hereby (including any potential amendments, modifications or waivers, or any request therefor), whether furnished before or after the Closing Date ("***Confidential Information***"), as strictly confidential and not to use Confidential Information for any purpose other than evaluating the Transactions and negotiating, making available, syndicating and administering this Agreement (the "***Agreed Purposes***"). Without limiting the foregoing, each Agent and each Lender agrees to treat any and all Confidential Information with adequate means to preserve its confidentiality, and each Agent and each Lender agrees not to disclose Confidential Information, at any time, in any manner whatsoever, directly or indirectly, to any other Person whomsoever, except:

(1) to its partners that are natural persons, members that are natural persons, directors, officers, employees, counsel, advisors, trustees and Affiliates (collectively, the "***Representatives***"), to the extent necessary to permit such Representatives to assist in connection with the Agreed Purposes (it being understood that the Representatives to whom such disclosure is made will be informed of the confidential nature of such Confidential Information and instructed to keep such Confidential Information confidential, with the applicable Agent or Lender responsible for the breach of this **Section 10.14** by such Representatives as if they were party hereto);

(2) to any pledgee referred to in **Section 10.6(d)** and prospective Lenders and participants in connection with the syndication (including secondary trading) of the Facilities and Commitments and Loans hereunder (excluding any Disqualified Institution), in each case who are informed of the confidential nature of the information and agree to observe and be bound by standard confidentiality terms at least as favorable to the Borrower and its Affiliates as those contained in this **Section 10.14**;

(3) to any party or prospective party (or their advisors) to any swap, derivative or similar transaction under which payments are made by reference to the Borrower and the

Obligations, this Agreement or payments hereunder, in each case who are informed of the confidential nature of the information and agree to observe and be bound by standard confidentiality terms at least as favorable to the Borrower and its Affiliates as those contained in this **Section 10.14**;

(4) upon the request or demand of any Governmental Authority having or purporting to have jurisdiction over it;

(5) in response to any order of any Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, ***provided***, that in the case of **clauses (4)** and **(5)**, the disclosing Agent or Lender, as applicable, agrees, to the extent practicable and not prohibited by applicable law, to notify the Borrower prior to such disclosure and cooperate with the Borrower in obtaining an appropriate protective order (except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority);

(6) to the extent reasonably required or necessary, in connection with any litigation or similar proceeding relating to the Facilities;

(7) information that has been publicly disclosed other than in breach of this **Section 10.14**;

(8) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender or in connection with examinations or audits of such Lender;

(9) to the extent reasonably required or necessary, in connection with the exercise of any remedy under the Loan Documents; ***provided***, that each Agent and Lender uses commercially reasonable efforts to ensure that such information is kept confidential in connection with such exercise of remedies and the recipient is informed of the confidential nature of the information;

(10) to the extent the Borrower has consented to such disclosure in writing;

(11) to any other party to this Agreement;

(12) to the extent that such information is received from a third party that is not, to such Agent or Lender's knowledge, subject to contractual or fiduciary confidentiality obligations owing to the Borrower and its Affiliates and their related parties;

(13) to the extent that such information is independently developed by such Agent or Lender; or

(14) by the Administrative Agent to the extent reasonably required or necessary to obtain a CUSIP for any Loans or Commitment hereunder, to the CUSIP Service Bureau.

Each Agent and each Lender acknowledges that (i) Confidential Information includes information that is not otherwise publicly available and that such non-public information may constitute confidential business information which is proprietary to the Borrower and/or its Affiliates and (ii) the Borrower has advised the Agents and the Lenders that it is relying on the Confidential Information for its success and

would not disclose the Confidential Information to the Agents and the Lenders without the confidentiality provisions of this Agreement. All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its administrative questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including Federal and state securities laws. Notwithstanding any other provision of this Agreement, any other Loan Document or any Assignment and Assumption, the provisions of this **Section 10.14** shall survive with respect to each Agent and Lender until the second anniversary of such Agent or Lender ceasing to be an Agent or a Lender, respectively.

**kd. Release of Collateral and Guarantee Obligations; Subordination of Liens.**

460. Notwithstanding anything to the contrary contained herein or in any other Loan Document, upon request of the Borrower in connection with any Disposition of Property permitted by the Loan Documents (including by way of merger and including any assets transferred to a Subsidiary that is not a Loan Party in a transaction permitted by this Agreement) or any Loan Party becoming an Excluded Subsidiary or ceasing to be a Subsidiary and subject the last sentence of this **Section 10.15(a)**, all Liens and Guarantees on such assets or all assets of such Excluded Subsidiary or former Subsidiary shall automatically terminate and, upon delivery of a pro forma Borrowing Base Certificate demonstrating compliance with the last sentence of this **Section 10.15(a)**, the Collateral Agent shall (without notice to, or vote or consent of, any Lender, or any Affiliate of any Lender that is a party to any Specified Hedge Agreement or documentation in respect of Specified Cash Management Obligations or Specified Additional Obligations) execute and deliver all releases reasonably necessary or desirable

cxxxiii.to evidence the release of Liens created in any Collateral being Disposed of in such Disposition (including any assets of any Loan Party that becomes an Excluded Subsidiary) or of such Excluded Subsidiary or former Subsidiary, as applicable,

cxxxiv.to provide notices of the termination of the assignment of any Property for which an assignment had been made pursuant to any of the Loan Documents which is being Disposed of in such Disposition or of such Excluded Subsidiary or former Subsidiary, as applicable, and

cxxxv.to release the Guarantee and any other obligations under any Loan Document of any Person being Disposed of in such Disposition or which becomes an Excluded Subsidiary or former Subsidiary, as applicable.

Any representation, warranty or covenant contained in any Loan Document relating to any such Property so Disposed of (other than Property Disposed of to the Borrower or any of its Restricted Subsidiaries) or of a Loan Party which becomes an Excluded Subsidiary or former Subsidiary, as applicable, shall no longer be deemed to be repeated once such Property is so Disposed of. In addition, upon the reasonable request of the Borrower in connection with

(A) any Lien of the type permitted by **Section 7.3(g)** on Excluded Collateral to secure Indebtedness to be incurred pursuant to **Section 7.2(c)** (or pursuant to **Section 7.2(d)**, **7.2(j)**, or **7.2(v)** if such Indebtedness is of the type that is contemplated by **Section 7.2(c)**) if the holder of such Lien so requires,

(B) any Lien securing Indebtedness pursuant to **Section 7.2(t)(x)** if the holder of such Lien so requires and pursuant to **Section 7.2(t)(y)** if the holder of such Lien so requires and if the holder of the applicable Indebtedness being refinanced also so requires, and in each case to the extent constituting Excluded Collateral,

(C) any Lien of the type permitted by **Sections 7.3(o)**, **7.3(r)(i)**, **7.3(t)** or **7.3(bb)**, in each case, to the extent the obligations giving rise to such permitted Lien prohibit (or require the release of) the security interest of the Collateral Agent thereon and so long as such cash subject to such Lien is not included in the definition of Qualified Cash after giving effect thereto, or **7.3(kk)** to the extent constituting Excluded Collateral, or

(D) the ownership of joint ventures or other entities qualifying under **clause (iv)** of the definition of Excluded Equity Securities, the Collateral Agent shall execute and deliver all releases necessary or desirable to evidence that no Liens exist on such Excluded Collateral under the Loan Documents.

Notwithstanding anything to the contrary, no release of any Guarantees or any Liens on assets of any Loan Party Disposed of outside of the ordinary course of business shall be permitted (or effective) if, in connection with such transaction, a pro forma Borrowing Base Certificate would be required to be delivered pursuant to **Section 6.2(g)(i)** or the definition of "Unrestricted Subsidiary", unless, after giving pro forma effect to such release and any transactions in connection therewith (including, without limitation, any prepayment or repayment of the Loans in connection therewith and the removal of any Inventory from the Borrowing Base that will no longer constitute Eligible Inventory or any other categories of assets that will no longer be included in the Borrowing Base after giving effect to such release),

(x) Excess Availability would be less than the Financial Covenant Block or

(y) if such release is to occur on or after the Tranche A Revolving Discharge Date, the aggregate principal amount of the SISO Term Loans then outstanding would exceed the Tranche A Borrowing Base.

461. Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations (other than (x) obligations in respect of any Specified Hedge Agreement, Specified Cash Management Obligations or Specified Additional Obligations and (y) any contingent or indemnification obligations not then due) have been paid in full, all Commitments have terminated or expired and no Letter of Credit shall be outstanding that is not Cash Collateralized, upon the request of the Borrower, all Liens and Guarantee Obligations under any Loan Documents shall automatically terminate and the Collateral Agent shall (without notice to, or vote or consent of, any Lender, or any Affiliate of any Lender that is a party to any Specified Hedge Agreement or documentation in respect of Specified Cash Management Obligations or Specified Additional Obligations) take such actions as shall be required to release its security interest in all Collateral, and to release all Guarantee Obligations under any Loan Document, whether or not on the date of such release there may be outstanding Obligations in respect of Specified Hedge Agreements, Specified Cash Management Obligations or Specified Additional Obligations or contingent or indemnification obligations not then due. Any such release of Guarantee Obligations shall be deemed subject to the provision that such Guarantee Obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment

of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its Property, or otherwise, all as though such payment had not been made.

462. Notwithstanding anything to the contrary contained herein or in any other Loan Document, upon request of the Borrower in connection with any Liens permitted by the Loan Documents, the Collateral Agent shall (without notice to, or vote or consent of, any Lender) take such actions as shall be required to subordinate the Lien on any Collateral to any Lien permitted under **Section 7.3**.

**ke. Accounting Changes**

In the event that any Accounting Change (as defined below) shall occur and such change results in a change in the method of calculation of financial ratios, covenants, standards or terms in this Agreement, then following notice either from the Borrower to the Administrative Agent or from the Administrative Agent to the Borrower (which the Administrative Agent shall give at the request of the Required Lenders), the Borrower and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to equitably reflect such Accounting Changes with the desired result that the criteria for evaluating the Borrower's financial condition and covenant capacities shall be the same after such Accounting Changes as if such Accounting Changes had not been made. If any such notices are given then, regardless of whether such notice is given prior to or following such Accounting Change, until such time as such an amendment shall have been executed and delivered by the Borrower, the Administrative Agent and the Required Lenders and have become effective, all financial ratios, covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. Any amendment contemplated by the prior sentence shall become effective upon the consent of the Required Lenders, it being understood that a Lender shall be deemed to have consented to and executed such amendment if such Lender has not objected in writing within five Business Days following receipt of notice of execution of the applicable amendment by the Borrower and the Administrative Agent, it being understood that the posting of an amendment referred to in the preceding sentence electronically on the Platform to the Lenders shall be deemed adequate receipt of notice of such amendment. "***Accounting Changes***" refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC, in each case, occurring after the Closing Date, including any change to IFRS contemplated by the definition of "GAAP." Without limiting the foregoing, for purposes of determining compliance with any provision of this Agreement, the determination of whether a lease is to be treated as an operating lease or capital lease shall be made without giving effect to any change in accounting for leases pursuant to GAAP resulting from the implementation of proposed Accounting Standards Update (ASU) Leases (Topic 840) issued August 17, 2010, or any successor proposal.

**kf. WAIVERS OF JURY TRIAL**

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT or the transactions contemplated hereby or thereby AND FOR ANY COUNTERCLAIM THEREIN.

**kg. USA PATRIOT ACT**

Each Lender hereby notifies the Loan Parties and each Local Borrowing Subsidiary that pursuant to the requirements of the USA Patriot Act (Title III of Publ. 107 56 (signed into law October 26, 2001))

(the "***USA Patriot Act***"), it is required to obtain, verify and record information that identifies the Loan Parties and each Local Borrowing Subsidiary, which information includes the name and address of such Loan Parties or Local Borrowing Subsidiaries, as applicable, and other information that will allow such Lender to identify the Loan Parties or Local Borrowing Subsidiaries, as applicable, in accordance with the USA Patriot Act, and the Borrower agrees to provide such information from time to time to any Lender or Agent reasonably promptly upon request from such Lender or Agent.

**kh. Intercreditor Arrangements.**

463. **General Application**. This Agreement shall be applicable both before and after the institution of a proceeding under Debtor Relief Laws in respect of any Loan Party or after a moratorium of indebtedness is declared or a winding-up, administration or dissolution occurs or after any other proceeding under any Debtor Relief Law occurs involving Borrower or any other Loan Party, including, without limitation, the filing of any petition by or against Borrower or any other Loan Party under title 11 of the United States Code (the "***Bankruptcy Code***"), or any other Debtor Relief Law, and all converted or successor cases in respect thereof (collectively, a "***Loan Party Insolvency***"), and all references herein to Borrower or any other Loan Party shall be deemed to apply to the trustee for Borrower or such other Loan Party and Borrower or such other Loan Party as debtor-in-possession. The relative rights of the Lenders in or to any distributions from or in respect of any Collateral or proceeds of Collateral shall continue after the institution of any Loan Party Insolvency or after a moratorium of indebtedness is declared or a winding-up, administration or dissolution occurs or after any other proceeding under any Debtor Relief Law occurs involving Borrower or any other Loan Party on the same basis as prior to the date of such institution. This **Section 10.19** is a "subordination agreement" under section 510(a) of the Bankruptcy Code and shall be enforceable in any Loan Party Insolvency.

464. **Commencement of Insolvency Proceedings**. Notwithstanding any rights or remedies available to the Tranche B Term Lenders under any Loan Document, applicable law or otherwise, prior to the payment in full of the Revolving Loans and the SISO Term Loans, no Tranche B Term Lender shall commence, or support the commencement of, an involuntary Loan Party Insolvency against Borrower or any other Loan Party without the consent of the Required Lenders and the Required SISO Term Lenders.

465. **DIP Financings and Adequate Protection**

cxxxvi.If any Loan Party shall become subject to a Loan Party Insolvency and it, as a debtor-in-possession, moves for approval of (A) financing to be provided by any Tranche A Revolving Lender, any SISO Term Lender or an Affiliate or Approved Fund of a Tranche A Revolving Lender or SISO Term Lender holding Obligations (any such provider of financing, a "***DIP Lender***") or to be provided by one or more other parties with the consent of the Administrative Agent (acting at the direction of the Required Lenders) under Section 364 of the Bankruptcy Code (or any similar provision of any other applicable Debtor Relief Law or any order of a court of competent jurisdiction) (including, for the avoidance of doubt, any "roll up" of pre-petition Tranche A Secured Obligations) ("***DIP Financing***") or (B) the use of "cash collateral" (as such term is defined in Section 363(a) of the Bankruptcy Code) or any similar relief under any other applicable Bankruptcy Law ("***Cash Collateral Use***") with the consent of the Administrative Agent (acting at the direction of the Required Lenders), each Tranche B Term Lender agrees that no objection will be raised by the Administrative Agent or any of the Tranche B Term Lenders (and they will not request the Administrative Agent to make or support any such objection) to any such DIP Financing or Cash Collateral Use on any grounds so long as:

bu. the Administrative Agent retains its Lien on the Collateral (in each case, including proceeds thereof arising after the commencement of such proceeding to the extent obtainable under applicable law) to secure the Tranche B Secured Obligations with the same priority (subject to the Lien and claims securing the DIP Financing) as existed prior to the commencement of the case under the Bankruptcy Code or any other Debtor Relief Laws, and

bv. the Tranche B Term Lenders may seek adequate protection liens or any similar relief under any other applicable Debtor Relief Law to secure the Tranche B Secured Obligations to the extent such adequate protection is provided to Tranche A Revolving Lenders and the SISO Term Lenders (***provided***, that, (x) any such liens shall be subordinated to any adequate protection liens for the benefit of the Revolving Loans and the SISO Term Loans and (y) any proceeds of any adequate protection provided to any Tranche B Term Lender shall be applied in accordance with **Section 6.6** of the Guarantee and Collateral Agreement).

cxxxvii. To the extent the Tranche A Revolving Lenders (or an Affiliate or Approved Fund of a Tranche A Revolving Lender holding Obligations) and the SISO Term Lenders (or an Affiliate or Approved Fund of a SISO Term Lender holding Obligations) do not provide DIP Financing or approve of Cash Collateral Use, each Tranche A Revolving Lender and SISO Term Lender agrees that the Tranche B Term Lenders, may seek to provide DIP Financing so long as (and each Tranche B Term Lender agrees that it (and its Affiliates) will not seek to provide a DIP Financing unless):

bw. the Administrative Agent retains its Lien on the Collateral (in each case, including proceeds thereof arising after the commencement of such proceeding) to secure the Tranche A Secured Obligations with the same priority (subject to being senior to the Lien and claims securing such DIP Financing) as existed prior to the commencement of the case under the Bankruptcy Code or any other Debtor Relief Laws,

bx. with respect to any such DIP Financing provided by the Tranche B Term Lenders, the Lien on the Collateral securing such DIP Financing and any superpriority administrative claim granted in respect thereof is junior in priority to the Administrative Agent's Lien on the Collateral to secure the Secured Obligations and the adequate protection superpriority claim granted in respect thereof,

by. no prepetition Tranche B Secured Obligations shall be rolled up into, refinanced by or otherwise converted into such DIP Financing and

bz. such DIP Financing shall be deemed to be Tranche B Secured Obligations, subject to the same or more junior waterfall treatment set forth in **Section 6.6** of the Guarantee and Collateral Agreement, *mutatis mutandis*;

***provided***, ***however***, that the Tranche A Revolving Lenders and the SISO Term Lenders reserve their right to object to any such DIP Financings provided by such Tranche B Term Lender.

cxxxviii. Each Tranche B Term Lender agrees not to contest (or support any other Person contesting) any request by the Administrative Agent, any Issuing Lender, any Tranche A Revolving Lender or any SISO Term Lender for adequate protection under any Debtor Relief Law or any objection by the Administrative Agent, any Issuing Lender, any Tranche A Revolving

Lender or any SISO Term Lender to any motion, relief, action or proceeding based upon such Administrative Agent, Issuing Lender, Tranche A Revolving Lender or SISO Term Lender claiming a lack of adequate protection.

cxxxix.If, in connection with any DIP Financing or Cash Collateral Use, any Liens on the Collateral held by a Tranche A Revolving Lender or SISO Term Lender (or, in each case, by the Collateral Agent, on behalf of any Tranche A Revolving Lender or SISO Term Lender) are subject to a surcharge or are subordinated to an administrative priority claim or a professional fee "carve out" or fees owed to the United States Trustee, then the Liens on the Collateral of the Administrative Agent for the benefit of the Tranche B Term Lenders shall also be subordinated to such interest or claim.

cxl.If a DIP Financing causes a Tranche A Discharge Date to occur and such DIP Financing is secured by liens on the Collateral on a senior basis to the liens securing the Tranche B Secured Obligations, the provisions of this **Section 10.19** will survive the Tranche A Discharge Date and will apply with like effect, mutatis mutandis, to such DIP Financing as if such DIP Financing were Tranche A Secured Obligations. In furtherance of this **clause (v)**, the Administrative Agent may enter into an intercreditor agreement in a form reasonably acceptable to Required Lenders immediately prior to such Tranche A Discharge Date.

466. **Post-Petition Interest.**

cxli.Notwithstanding anything to the contrary, Collateral and the proceeds thereof shall be applied to satisfy the Tranche A Secured Obligations in accordance with Section 6.6 of the Guarantee and Collateral Agreement as if such Tranche A Secured Obligations accrued any applicable Post-Petition Interest (irrespective of whether or not such Post-Petition Interest may be disallowed in any proceeding under any Debtor Relief Law).

cxlii.No Tranche B Term Lender shall oppose or seek to challenge any claim by the Administrative Agent or any Tranche A Secured Party for allowance of Post-Petition Interest in any Loan Party Insolvency.

467. **Relief from Automatic Stay.** Each Tranche B Term Lender agrees not to seek (or support any other person seeking) relief from the automatic stay or any other stay in any Loan Party Insolvency or after a moratorium of indebtedness is declared or a winding-up, administration or dissolution occurs or after any other proceeding under any Debtor Relief Law occurs in respect of the Collateral, or oppose any request by Required Lenders or the Administrative Agent to seek relief from the automatic stay or any other stay in respect of the Collateral.

468. **Plan of Reorganization**.

cxliii.The Lenders hereby agree that the claims in respect of the Tranche A Secured Obligations and the Tranche B Secured Obligations shall be separately classified in any Loan Party Insolvency of any Loan Party. Each Lender agrees to consent to, and not object to, the separate classification under a plan under the Bankruptcy Code (a "***Bankruptcy Plan***") of the Tranche A Secured Obligations and the Tranche B Secured Obligations.

cxliv.If any Tranche A Secured Obligations and Tranche B Secured Obligations are classified in the same class (within the meaning of Section 1126(c) of the Bankruptcy Code or any similar provision in other insolvency law),

ca. no Tranche B Term Lender will vote to "accept" a Bankruptcy Plan unless Tranche A Secured Parties holding at least two-thirds in amount of the Tranche A Secured Obligations voting on such Plan have voted to accept such Bankruptcy Plan with respect to such Class,

cb. each Tranche B Term Lender in such class will not (and each Tranche B Term Lender will be deemed to have irrevocably waived the right to) make an election under section 1111(b) of the Bankruptcy Code to have the entire allowed claim of each member of the class treated as a secured claim in such Loan Party Insolvency notwithstanding section 506(a) of the Bankruptcy Code, unless Tranche A Secured Parties holding at least two-thirds in an amount of the Tranche A Secured Obligations otherwise agree in writing,

cc. for purposes of calculating votes in **clauses (B)** and **(C)**, Tranche A Secured Obligations held by a Tranche B Term Lender (or an Affiliate thereof) shall be deemed to vote in the same proportion as Tranche A Secured Obligations that are not held by a Tranche B Term Lender (or an Affiliate thereof) and

cd. each Lender shall submit any votes to the Administrative Agent (and only the Administrative Agent) not later than five (5) Business Days prior to the voting deadline established pursuant to the terms of such Bankruptcy Plan or any court order establishing voting procedures ("***Voting Procedures Order***") and the Administrative Agent shall promptly tally the votes and, only if the Administrative Agent determines that Tranche A Revolving Lenders and/or SISO Term Lenders holding the requisite minimum two-thirds in amount vote on such Bankruptcy Plan have voted to accept such Bankruptcy Plan, the Agent shall submit such votes in accordance with the terms of the Bankruptcy Plan or Voting Procedures Order.

The Administrative Agent shall be authorized by each Lender to withdraw or modify any vote submitted by such Lender in contravention of the procedures set forth herein.

cxlv. Each Tranche B Term Lender hereby agrees that it shall not propose, vote in favor of, or otherwise support any plan of reorganization that is in contravention of any of the provisions set forth in Section 6.6 of the Guarantee and Collateral Agreement or this **Section 10.19**.

cxlvi. No Tranche B Term Lender may object to, oppose, or challenge the determination of the extent of any Liens held by the Administrative Agent for the benefit of any of the Lenders and other Secured Parties or any right to payment pursuant to Section 6.6 of the Guarantee and Collateral Agreement for any post-petition interest, fees, costs, or other charges.

cxlvii. Notwithstanding any other provision hereof to the contrary, each Tranche B Term Lender agrees that without the consent of the Required Lenders and the Required SISO Term Lenders, none of such Tranche B Term Lenders shall, for any purpose during any insolvency or liquidation Proceeding or otherwise, support, endorse, propose or submit, whether directly or indirectly, any plan of reorganization that provides for the impairment of the repayment in full in cash of the Tranche A Secured Obligations, unless the Required Lenders and the Required SISO Term Lenders shall have consented to such plan in writing.

469. **Credit Bidding**. Each Tranche B Term Lender agrees not to "credit bid" or offset against the purchase price of any Collateral against the amount of any or all of its Secured Obligations

without the consent of Required Lenders and Required SISO Term Lenders unless such credit bid provides for the Tranche A Discharge Date to occur upon the closing of the applicable sale.

470. **Payments Over**

cxlviii. So long as the Tranche A Discharge Date has not occurred,

(x) any Collateral or proceeds thereof (other than any debt obligations of the reorganized debtor distributed as contemplated by **Section 10.19(h)(ii)**); and

(y) any payment of all or part of the Tranche B Secured Obligations owing to it, or any collateral in respect thereof (whether voluntarily or involuntarily, by setoff or recoupment, pursuant to events or proceedings of the nature referred to in **Section 8.1(f)**, or otherwise) (other than regularly scheduled interest pursuant to **Section 2.15(d)** so long as an Event of Default pursuant to **Section 8.1(a)** or **(f)** has not occurred and is continuing and any debt obligations of the reorganized debtor are distributed as contemplated by **Section 10.19(h)(ii)**)

in each case, received by any Tranche B Term Lender shall be segregated and held in trust and forthwith paid over to the Administrative Agent for the benefit of the Tranche A Secured Parties in the same form as received, with any necessary endorsements (which endorsements shall be without recourse and without any representations or warranties) or as a court of competent jurisdiction may otherwise direct. The Administrative Agent is authorized to make any such endorsements as agent for the Tranche B Term Lenders. This authorization is coupled with an interest and is irrevocable until the Tranche A Discharge Date has occurred.

cxlix. If, in any proceeding under any Debtor Relief Laws, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed pursuant to a plan of reorganization, arrangement, compromise or liquidation or similar dispositive restructuring plan, both on account of the Tranche A Secured Obligations and on account of Tranche B Secured Obligations, then, to the extent the debt obligations distributed on account of the Tranche A Secured Obligations and on account of the Tranche B Secured Obligations are secured by Liens upon the same property, the provisions of this **Section 10.19** will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect, mutatis mutandis, to the Liens securing such debt obligations.

cl. To the extent that the Secured Parties receive payments on the Secured Obligations or proceeds of Collateral, which 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, common law, equitable cause, or otherwise (and whether as a result of any demand, settlement, litigation, or otherwise) (each, an "***Avoidance***"), then to the extent of such payment or proceeds received, such Obligations, or part thereof, intended to be satisfied by such payment or proceeds shall be revived and continue in full force and effect as if such payments or proceeds had not been received by the Lenders, and this Agreement, if theretofore terminated, shall be reinstated in full force and effect as of the date of such Avoidance, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the payment priorities and the relative rights and obligations of the Lenders provided for herein with respect to any event occurring on or after the date of such Avoidance.

471. **Realization on Collateral.** Each Tranche B Term Lender agrees that it will not seek consultation rights in connection with, and it will not object to or oppose, a motion to sell, liquidate or otherwise dispose of Collateral under Section 363 of the Bankruptcy Code if the Required Lenders have consented to such sale, liquidation or other disposition, including, without limitation, in connection with any credit bid consented to by the Required Lenders. Each Tranche B Term Lender, further agrees that it will not directly or indirectly oppose or impede entry of any order in connection with such sale, liquidation or other disposition, including orders to retain professionals or set bid procedures in connection with such sale, liquidation or disposition if the Required Lenders have consented to (A) such retention of professionals and bid procedures in connection with such sale, liquidation or disposition of such assets and (B) the sale, liquidation or disposition of such assets, in which event, the Tranche B Term Lenders will be deemed to have consented to the sale or disposition of Collateral pursuant to Section 363(f) of the Bankruptcy Code.

472. **Refinancings**. The Revolving Commitments and SISO Term Facility may be refinanced or replaced in full with any other credit agreement, loan agreement or other agreement or instrument evidencing or governing the terms of such refinancing or replacement indebtedness (each, a "***Tranche A Refinancing***"), in each case, without notice to, or the consent of, any Tranche B Term Lender and without affecting the payment priorities provided for herein or the provisions of this **Section 10.19**; ***provided***, ***however***, that, to the extent such refinancing or replacement satisfies the conditions of Revolving Refinancing Debt or SISO Refinancing Debt save for the condition that it be incurred under this Agreement, (x) the Tranche B Term Lenders agree to be bound automatically to the terms of any such replacement or refinancing and (y) without prejudice to the foregoing **clause (x)**, the Tranche B Term Lenders (or an authorized agent on their behalf) agree to enter into such documents or agreements (including joinder agreements substantially similar to the 2021 Notes Lender Joinder Agreements) as the Borrower shall reasonably request and in form and substance reasonably acceptable to the agent of the revolving lenders providing such refinancing or replacement such that the Tranche B Term Loans become tranche B term loans (or equivalent term) under such refinancing or replacement; ***provided***, ***further***, that the terms of the definitive documentation of such refinancing or replacement may not contain terms that would require the consent of the Tranche B Term Lenders pursuant to the terms of **Section 10.1** of this Agreement to the extent such terms were effected as an amendment to this Agreement.

**ki. Interest Rate Limitation**

Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under applicable law (collectively, the "***Charges***"), shall exceed the maximum lawful rate (the "***Maximum Rate***") that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this **Section 10.20** shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

**kj. Payments Set Aside**

To the extent that any payment by or on behalf of the Borrower is made to the Administrative Agent, any Issuing Lender, the Swingline Lender or any Lender, or the Administrative Agent, any Issuing

Lender, the Swingline Lender or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such Issuing Lender, Swingline Lender or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender, each Issuing Lender and the Swingline Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, ***plus*** interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Effective Rate from time to time in effect. The obligations of the Lenders, the Issuing Lenders and the Swingline Lender under **clause (b)** of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

**kk. Electronic Execution of Assignments and Certain Other Documents**

The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other notices of borrowing, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; ***provided*** that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

**kl. Acknowledgement and Consent to Bail-In of Affected Financial Institutions**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

473. the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

474. the effects of any Bail-in Action on any such liability, including, if applicable:

cli.a reduction in full or in part or cancellation of any such liability;

clii.a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of

ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

cliii.the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

**km. Delegation by each Local Borrowing Subsidiary**

Each Local Borrowing Subsidiary hereby irrevocably designates and appoints the Company as the agent of such Local Borrowing Subsidiary under this Agreement and the other Loan Documents for the purpose of giving notices and taking other actions delegated to such Local Borrowing Subsidiary pursuant to the terms of this Agreement and the other Loan Documents. In furtherance of the foregoing, each Local Borrowing Subsidiary hereby irrevocably grants to the Company such Local Borrowing Subsidiary's power-of-attorney, and hereby authorizes the Company, to act in place of such Local Borrowing Subsidiary with respect to matters delegated to such Local Borrowing Subsidiary pursuant to the terms of this Agreement and the other Loan Documents and to take such other actions as are reasonably incidental thereto. Each Local Borrowing Subsidiary hereby further acknowledges and agrees that the Company shall receive all notices to such Local Borrowing Subsidiary for all purposes of this Agreement. The Company hereby agrees to provide prompt notice to the relevant Local Borrowing Subsidiary of any notices received and all action taken by the Company under this Agreement and the other Loan Documents on behalf of such Local Borrowing Subsidiary.

**kn. Interest Act (Canada)**

For purposes of the Interest Act (Canada), whenever any interest under this Agreement on account of Local Loans or Acceptances which are made in Canada or made to any Local Borrowing Subsidiary which is organized under the laws of Canada or any Province thereof is calculated using a rate based upon a year of 360 days, such rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to (x) the applicable rate based upon a year of 360 days, (y) multiplied by the actual number of days in the calendar year in which the period for which such interest is payable ends, and (z) divided by 360. The rates of interest specified in this Agreement are nominal rates and all interest payments and computations are to be made without allowance or deduction for deemed reinvestment of interest.

**ko. Judgment.**

The Obligations of each Borrower in respect of each Local Loan and Acceptance reimbursement obligation due to any party hereto in Dollars (including, without limitation, by virtue of any conversion of a Local Loan or Acceptance from a Permitted Foreign Currency into Dollars pursuant to the provisions of **Section 2.32**) or any holder of any Obligation which is denominated in Dollars, shall, notwithstanding any judgment in a currency (the "***judgment currency***") other than Dollars, be discharged only to the extent that on the Business Day following receipt by such party or such holder (as the case may be) of any sum adjudged to be so due in the judgment currency such party or such holder (as the case may be) may in accordance with normal banking procedures purchase Dollars with the judgment currency; if the amount of Dollars so purchased is less than the sum originally due to such party or such holder (as the case may be) in Dollars, such Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such party or such holder (as the case may be) against such loss, and if the amount of Dollars so purchased exceeds the sum originally due to any party to this Agreement or any

holder of Obligations (as the case may be), such party or such holder (as the case may be), agrees to remit to such Borrower, such excess.

**kp. Submission To Jurisdiction.**

Each Local Borrowing Subsidiary hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of any New York state or federal court sitting in the City of New York and any competent court of the jurisdiction under the laws of which such Local Borrowing Subsidiary is organized (the "***local court***"), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, the Notes or any Draft. Each Local Borrowing Subsidiary hereby irrevocably and unconditionally agrees that all claims in respect of such action or proceeding may be heard and determined in such New York state court or local court or, to the extent permitted by law, in such federal court. Each Local Borrowing Subsidiary hereby irrevocably and unconditionally waives, to the fullest extent it may effectively do so, any defense of an inconvenient forum to the maintenance of such action or proceeding in any such court and any right of jurisdiction on account of the place of residence or domicile of such Local Borrowing Subsidiary. Each Local Borrowing Subsidiary hereby irrevocably and unconditionally appoints the Company as its agent to receive on behalf of such Local Borrowing Subsidiary and its property service of copies of the summons and complaint and any other process which may be served in any such action or proceeding in any such New York state or federal court. In any such action or proceeding in such New York state or federal court sitting in the City of New York, such service may be made on such Local Borrowing Subsidiary by delivering a copy of such process to such Local Borrowing Subsidiary in care of the Company at the Company's address listed in **Section 10.2** and by depositing a copy of such process in the mails by certified or registered air mail, addressed to such Local Borrowing Subsidiary (such service to be effective upon such receipt by the Company and the depositing of such process in the mails as aforesaid). Each Local Borrowing Subsidiary hereby irrevocably and unconditionally authorizes and directs the Company to accept such service on its behalf. Each Local Borrowing Subsidiary hereby agrees that, to the fullest extent permitted by applicable law, a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

**kq. Certain ERISA Matters.**

475. Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of Holdings, the Borrower, each Local Borrowing Subsidiary or any other Loan Party (except that the representations in **Section 4.5** are made in reliance on the accuracy and compliance of the representations and covenants made in this **Section 10.28(a)**), that at least one of the following is and will be true:

cliv.such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Plans in connection with the Loans, the Letters of Credit, the Acceptances or the Commitments,

clv.the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions

involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Acceptances, the Commitments and this Agreement,

clvi.(A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

clvii.such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender, but only if in substance such other arrangement confirms the absence of an ERISA prohibited transaction.

476. In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of Holdings, the Borrower, each Local Borrowing Subsidiary or any other Loan Party, that:

clviii.none of the Administrative Agent or any of its Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto),

clix.the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least $50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

clx.the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Acceptances, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations),

clxi.the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of

Credit, the Acceptances, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Acceptances, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

clxii.no fee or other compensation is being paid directly to the Administrative Agent or any its Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Acceptances, the Commitments or this Agreement.

477. The Administrative Agent hereby informs the Lenders that the Administrative Agent is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Acceptances, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit, the Acceptances or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit, the Acceptances or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

478. The representations in this **Section 10.28** are intended to comply with United States Department of Labor Regulations codified at 29 C.F.R. § 2510.3-21(a) and (c)(1) as promulgated on April 8, 2016 (81 Fed. Reg. 20,997). To the extent these regulations are revoked, repealed or no longer effective, these representations shall be deemed to be no longer in effect.

**kr. Acknowledgement Regarding Any Supported QFCs.**

To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "***QFC Credit Support***" and each such QFC a "***Supported QFC***"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "***U.S. Special Resolution Regimes***") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

479. In the event a Covered Entity that is party to a Supported QFC (each, a "***Covered Party***") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered

Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support may be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

480. As used in this **Section 10.29**, the following terms have the following meanings:

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

- "***Covered Entity***": any of the following:

  a. a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §252.82(b);

  b. a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §47.3(b); or

  c. a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §382.2(b).

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

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered as of the date first above written.

REVLON CONSUMER PRODUCTS CORPORATION,
as Borrower

By: __

Name:
Title:

REVLON, INC. (solely for purposes of **Section 7A**),
as Holdings

By: __

Name:
Title:

Citibank, N.A., as Administrative Agent, Collateral Agent, Issuing Lender and Swingline Lender

By: __

Name:

Title:

[],
as a Lender

By: __

Name:
Title:

REVLON

**Exhibit 10.22**

E. Scott Beattie
230 East Rivo Alto Drive
Miami Beach, Florida 33139

Dear Scott:

This letter agreement (this "**Amendment**") amends the Amended and Restated Consulting Agreement, by and among you, Revlon, Inc., and Revlon Consumer Products Corporation, dated as of March 11, 2020 (as amended from time to time, the "**Consulting Agreement**"). Capitalized terms not defined herein shall have the meaning set forth in the Consulting Agreement.

Effective on April 1, 2021, the Consulting Agreement shall be amended as follows:

1. The first sentence of Section 1(f) the Consulting Agreement shall be deleted in its entirety and amended and restated as follows:

   "The "Advisory Period" shall begin on April 1, 2021 (the "Effective Date") and shall continue for 12 months (the "Initial Term"), unless earlier terminated in accordance with Section l(g) of this Agreement. The first date of each such successive renewal term, if any, shall be deemed to be the "Effective Date" for such term for the purposes of Section 1(c) of this Agreement."

2. Section 1(c) of the Consulting Agreement shall be deleted in its entirety and amended and restated as follows:

   "In consideration of Beattie's agreement to provide the Advisory Services and his actually providing the Advisory Services as, when and to the extent requested by the CEO, the Company agrees to pay Beattie during the Advisory Period (and as provided in Section 1(g) if applicable) a fee equal to restricted stock units ("RSUs" and each, an "RSU") equivalent to USD 250,000 (the "Advisory Services Pay") as payment for one year of Advisory Services. The RSU amount ("RSU Amount") received on the Effective Date will be determined by dividing (1) USD 250,000 by (2) the Revlon, Inc. Class A common stock ("Revlon Stock") closing price on the Effective Date (or the previous trading day if the Effective Date falls on a weekend or holiday when the New York Stock Exchange ("NYSE") is closed). The RSU Amount will vest for one year of Advisory Services on each one-month anniversary of the Effective Date (for example, if the Effective Date is on the 15th, vesting would be on the 15th of each month) (each such date, a "Vesting Date"): (i) 1/12 of the RSU Amount (rounded to the nearest whole number with one-half being rounded upward) on each of the first eleven Vesting Dates and (ii) any remaining RSU Amount on the twelfth Vesting Date (the "Final Vesting Date"). The value of the stock awarded on each Vesting Date will be based on the closing price on such Vesting Date. If such Vesting Date falls on a weekend or holiday when the NYSE is closed, the value will be determined based on the closing price of the previous trading

day. Upon the Final Vesting Date, a true-up will be made to ensure Beattie has received Revlon Stock equivalent to the value of USD 250,000 for the annual Advisory Period. If the total value of Revlon Stock received as of the Final Vesting Date is less than USD 250,000, additional RSUs will be granted and vested on a date that is ten trading days after the Final Vesting Date in the amount of such shortfall. To the extent that such grant would result in a fractional share, such share shall be rounded up to a whole share. As of the Final Vesting Date, if Beattie has received Revlon Stock that exceeds USD 250,000, Beattie would keep any excess Revlon Stock awarded with respect to such annual Advisory Period pursuant to this Agreement. Beattie agrees that any trading or transaction on Revlon Stock pursuant to this Agreement shall be subject to the Company's then existing policies and procedures, including without limitation the Company's securities trading policy and procedures, and applicable securities laws."

3. The second to last paragraph in Section 1 of the Consulting Agreement shall be amended and restated as follows:

"In the event the Advisory Period terminates pursuant to subsection (i) or (ii) of Section 1(g), and subject to Beattie's execution of a Release (as defined below), which Release shall become effective and irrevocable as of the date the Advisory Period is so terminated (such date, the "Release Effective Date"), Beattie shall continue to be entitled to the vesting of his RSUs in accordance with Section 1(c) for a period beginning on the Release Effective Date through the end of any then-effective Term; provided that the first such Vesting Date after he signs the release shall include any RSUs that would have otherwise vested during the period from the Release Effective Date through such first Vesting Date; provided further that in the event that the maximum time Beattie has to sign the Release from the Release Effective Date spans two taxable years, the next Vesting Date shall be the first business day after such maximum time has elapsed, regardless of when Beattie signs the Release. For purposes of this Agreement, the term "Release" shall mean a form of general release in favor of the Company and its affiliates substantially similar to the "General Release" included in the Separation and Release Agreement entered into between the parties on November 2, 2016 (the "Separation Agreement")."

All other terms of the Consulting Agreement will remain in place during the Term unless further amended by written agreement between the parties. This Amendment is governed by, and construed pursuant to, the laws of the State of New York applicable to transactions executed and to be wholly performed in New York between residents thereof, without regard to the state's conflict of law provisions that would require application of the laws of a different jurisdiction, except as otherwise preempted by the laws of the United States.

*[Signature Page Follows]*

Please indicate your agreement to this Amendment by signing below.

Sincerely,

Ely Bar-Ness
Chief Human Resources Officer

I agree with and accept the terms as set forth above:

Date: March 10, 2021

Name: /s/ E. Scott Beattie
E. Scott Beattie

**Exhibit 10.25**

REVLON

November 20, 2020

Sergio Pedreiro
601 Lake Avenue
Greenwich, CT 06830

Dear Sergio:

Consistent with our discussions, your last day of employment will be November 20, 2020 (the "Separation Date"). This letter agreement and release (the "Agreement") sets forth the agreement between you and the Company regarding the separation of your employment with the Company pursuant to Section 4.4 of the Employment Agreement by and among you, Revlon, Inc. (the "Company") and Revlon Consumer Products Corporation, dated as of December 16, 2019, as amended by the letter agreements dated March 2020 (the "Employment Agreement") and explains the package of separation benefits you will receive in consideration of your execution (and non-revocation) of and compliance with this Agreement. Defined terms not defined herein shall have their respective meanings as defined in the Employment Agreement.

1. PAY AND BENEFITS NOT SUBJECT TO ACCEPTANCE OF TERMS OF AGREEMENT. Regardless of whether you accept the terms of this Agreement, you will receive the Final Compensation.

2. CONSIDERATION. Provided you timely execute this Agreement and continue to comply with its terms, including without limitation, your continued compliance with Sections 5, 6 and 7 of the Employment Agreement and the Non-Competition Agreement, the Company will provide you with the severance benefits set forth below:

(a) SEVERANCE PAY. Pursuant to Section 4.4.1(b) of the Employment Agreement, the Company will provide you severance pay equal to an aggregate amount of $820,000, which will be paid in substantially equal bi-weekly installments (the "Severance Pay") during the 12-month period beginning on November 21, 2020 (the "Severance Period"). Your Severance Pay installments will start on the next administratively feasible payroll date following the Effective Date of this Agreement (as defined herein), with the first payment to include any installment(s) that were otherwise due under this Section for the period from the Separation Date through the first payment date. Notwithstanding any provision to the contrary, the portion, if any, of your Severance Pay that is payable after March 15, 2021 and prior to May 21, 2021 that exceeds the limit set forth in Treasury Regulation section 1.409A-1(b)(9)(iii)(A)(2) (i.e., $570,000) will not be paid prior to May 21, 2021 and will be paid on the payroll date coincident with or next following May 21, 2021. Your entitlement to receive Severance Pay and benefits under this Agreement is subject to reduction as set forth in Section 4.4.1 of the Employment Agreement, and you remain obligated to notify the Company immediately if you begin new

employment or provide consulting or advisory services during the Severance Period pursuant to the terms of Section 4.4.1 of the Employment Agreement.

(b) CONTINUATION OF CERTAIN ELECTED BENEFITS.

(i)To the extent that you participate in the Company's Medical, Dental and/or Vision Care programs (collectively, "Benefit Programs") as of the Separation Date, your coverage will end effective midnight on November 20, 2020. Pursuant to Section 4.4.1(e) of the Employment Agreement, to the extent eligible and conditioned on your continued payment of all applicable employee contributions, you will be entitled to the Continued Benefits as of November 21, 2020.

(ii)Following the Severance Period, or in the event that you fail to execute this Agreement, to the extent eligible, you may continue to participate in the Benefit Programs under COBRA for the remainder of the maximum period for continuation coverage under applicable federal law for which you would be eligible by paying premiums at the applicable rate for COBRA continuation contributions; provided that to be or remain eligible for such period you must (A) make any and all premium payments at the full rate applicable for COBRA continuation contributions, in such manner as required and as acceptable to the Company; and (B) submit evidence of non-coverage as the Company may request from time to time.

(c) 2020 GUARANTEED BONUS AND LTIP. Pursuant to Sections 4.4.1(c), and 4.4.1(d) of the Employment Agreement, you will be entitled to receive the following:

(i) The 2020 Guaranteed Bonus, which equals $820,000, will be paid at the same time as other executives' bonuses are paid, but no later than March 15, 2021. For the avoidance of doubt, however, pursuant to Section 3.2.1 of the Employment Agreement, any bonus payment is conditioned on payment of such bonuses to other executives based upon achievement of bonus objectives.

(ii) The Final LTIP Award Tranche, which is comprised of 24,509 time-vesting RSUs granted to you pursuant to the 2020 Long-Term Incentive Program that would have vested on March 15, 2021, will vest, and will be paid or otherwise settled, on March 15, 2021.

The 2020 Guaranteed Bonus and the Final LTIP Award Tranche as set forth in this Section 2(c) will be paid or settled in accordance with the terms and conditions of the Employment Agreement and applicable award agreements, which includes settling the Final LTIP Award Tranche by March 15, 2021. You agree that you are not entitled to payment or settlement of any other equity-based award except as provided in Section 2(c) of this Agreement. Your entitlement to receive these benefits is subject to reduction as set forth in Section 4.4.1 of the Employment Agreement, and you remain obligated to notify the Company immediately if you begin new employment or provide consulting or advisory services during the Severance Period pursuant to the terms of Section 4.4.1 of the Employment Agreement.

(d) LIFE / AD&D INSURANCE. You will be advised of any options you may have to convert any Basic Life Insurance, Supplemental Life, Accidental Death and Dismemberment, Dependent Life and/or Dependent Accidental Death and Dismemberment insurance coverage previously elected by you under the Revlon Life Insurance Program

to an individual policy, subject to any underwriting requirements, at your own expense, and information regarding such conversion options will be provided to you after your Separation Date.

3. RESIGNATION OF POSITIONS. Pursuant to Section 4.6 of the Employment Agreement, you shall promptly resign from any officer, director or other position with the Company or any of the other Releasees effective as of the Separation Date and shall properly execute any documents reasonably required to effectuate such resignation.

4. EMPLOYEE ACKNOWLEDGMENTS. You acknowledge and agree that (a) you are not aware of the basis for any claims against any Releasees (as defined in Section 5 below); (b) you have been paid and/or have received all compensation, wages, bonuses, and/or commissions to which you may be entitled and, are not otherwise entitled to, and shall not be entitled to, any other compensation or benefits of any kind or description from the Company, other than as set forth in Sections 1 and 2 of this Agreement; (c) you have been granted any leave to which you were entitled under the Family and Medical Leave Act and/or related state or local leave or disability accommodation laws; (d) you have no known unreported workplace injuries or occupational diseases; (e) all of the Company's decisions regarding your pay and benefits through the Separation Date were not discriminatory based on age, disability, race, color, sex, religion, national origin or any other classification protected by law; (f) the Company has completely and satisfactorily responded to, investigated and concluded any internal complaints (e.g., any breach of contract, diversion, antitrust or fraud, discrimination or retaliation matters or claims), allegations, matters or issues, if any, you may have ever raised to the Company; and (g) you have not been retaliated against for reporting any allegations of wrongdoing, including but not limited to any allegations of corporate fraud, by any Releasees, including but not limited to the Company and its officers.

5. GENERAL RELEASE. In exchange for the consideration provided to you under this Agreement, you agree to release and hold harmless (on behalf of yourself and your family, heirs, executors, administrators, successors and assigns) now and forever, Revlon, Inc., Revlon Consumer Products Corporation and any of its or their past, present or future parent or subsidiary companies, corporations, affiliates, divisions, successors or assigns (whether or not incorporated) including any of their past, present or future employees, agents, officers, directors and shareholders whether acting in their individual or representative capacity (collectively, the "Releasees") from, and waive any claim known or unknown in any legal jurisdiction that you have presently, may have or have had in the past, against any of the Releasees upon or by reason of any matter, cause or thing whatsoever, from the beginning of the world to the date of this release, including, without limitation, all claims arising from your employment with, or termination of employment from, the Company or otherwise. Notwithstanding the prior sentence or any other provision of this Agreement to the contrary, it is understood and agreed that you are

not releasing or waiving (a) your rights to receive the compensation and benefits provided to you under this Agreement or the Employment Agreement or to otherwise enforce the terms of this Agreement; (b) any rights you may have to the payment of vested benefits (if any) under the terms of the Company's qualified retirement plans, as amended from time to time; (c) those rights set forth in Section 16 below; (d) any rights or claims which may not, as a matter of law, be released; or (e) any rights to indemnification you may have pursuant to Section 9 of the Employment Agreement, if any, or your rights under any D&O insurance policies maintained by Revlon, Inc. or Revlon Consumer Products Corporation, if any.

6. EXTENT OF RELEASE. Without limiting the generality of the preceding "GENERAL RELEASE" Section, this Agreement is intended to and shall release the Releasees from any and all claims or rights arising under (a) any federal, state or local statute (including, without limitation, Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended (the "ADEA"), the Equal Pay Act, as amended, the Americans with Disabilities Act of 1990, as amended, the Family and Medical Leave Act, as amended, the Employee Retirement Income Security Act of 1974, as amended, the federal, Workers Adjustment and Retraining Notification Act, the Sarbanes-Oxley Act of 2002, the New York Executive Law, the New York State Labor Law, the New York City Administrative Code, the New York State Human Rights Law, the New York State Human Rights Law, the New York Worker Adjustment and Retraining Notification Act, and all other statutes regulating the terms and conditions of your employment and the termination of your employment), (b) regulation or ordinance, (c) the common law or in equity (including any claims for wrongful discharge, discrimination, retaliation, whistleblower claims or otherwise), or (d) any policy, agreement, understanding or promise, written or oral, express or implied, formal or informal, between the Company and you, including, without limitation, any claim you might have for severance, termination or severance pay in any legal jurisdiction, or pursuant to any severance plans or practices as in effect from time to time, or otherwise.

7. CONSIDERATION. You acknowledge and agree that you are not entitled to the consideration described in Section 2 of this Agreement unless you execute and do not revoke this Agreement.

8. COOPERATION. As a material part of the consideration for this Agreement, you agree, upon request, to give your assistance and cooperation willingly in any matter relating to your expertise or experience as the Company may reasonably request, including your attendance and truthful testimony where deemed appropriate by the Company, with respect to any investigation or the Company's defense or prosecution of any existing or future claims or litigations relating to matters in which you were involved or potentially have knowledge by virtue of your employment with the Company. Such assistance and cooperation shall be provided by you without fee or charge, other than reasonable travel expenses and disbursements. Assistance shall be given during regular business hours at locations and times mutually agreed upon by you and the Company, with due regard to your availability given your then applicable employment, except with respect to mandated court appearances for which you will make yourself available upon reasonable notice.

9. TIME TO CONSIDER AND EFFECTIVE DATE.

(a) The terms of this Agreement are not final and authorized until this Agreement is executed by a Company officer or any other duly authorized executive of the Company with appropriate authority. Until such execution, this Agreement shall be considered to be a draft for settlement purposes.

(b) This Agreement is only valid if signed by you on or after your Separation Date and returned to the Company within twenty-one (21) days from the date you first received it. If you elect to execute this Agreement before the expiration of the twenty-one (21) day period, you acknowledge that you have chosen, of your own free will without any duress, to waive your right to the full twenty-one (21) day period.

(c) This Agreement may be revoked by you within seven (7) days after the date on which you sign this Agreement. Any such revocation must be made in a signed letter to the Company executed by you stating specifically that you are revoking your acceptance of this Agreement and personally delivered or emailed within seven (7) days after your execution of this Agreement to Ely Bar-Ness, Chief Human Resources Officer, at One New York Plaza, New York, NY, ely.bar-ness@revlon.com. You understand that if you revoke this Agreement, this Agreement and your eligibility to receive the consideration described in Section 2 will not be effective or enforceable and you will not be entitled to any payments and/or benefits set forth in Section 2 of this Agreement. This Agreement shall become effective on the eighth (8th) day following your signing of this Agreement, provided that you have not revoked this Agreement (the "Effective Date").

(d) The Company hereby advises you to consult with an attorney prior to executing this Agreement.

(e) You acknowledge and agree that this Agreement satisfies all applicable legal requirements to validly release any claims (including, but not limited to, claims arising under the ADEA). These requirements are that (i) you voluntarily entered into this Agreement with full knowledge of its terms (i.e., free from fraud, duress, coercion, or mistake of fact); (ii) this Agreement is in writing and fully comprehensible and understandable to you; (iii) you have been advised to consult with an attorney before signing this Agreement; (iv) this Agreement explicitly waives current ADEA claims and does not waive any ADEA claims arising after your execution of this Agreement; (v) the consideration described in Section 2 above constitutes compensation and benefits to which you would not be entitled in the absence of your entering into this Agreement; (vi) the Company provided you with at least twenty-one (21) days from the date upon which this Agreement was first delivered to you within which to decide whether to enter into this Agreement; and (vii) the Company provided you with at least seven (7) days within which to revoke this Agreement after you sign it.

10. NOTICE. Other than the notice of revocation described in Section 9(c), which must be delivered as described therein, any notice to be given under this Agreement shall be given in writing and delivered either personally or sent by certified mail to the Company c/o Ely

Bar-Ness, Chief Human Resources Officer, at One New York Plaza, New York, New York 10004 and to you at your address in the Company's records.

11. COVENANTS.

(a) You represent and warrant that you have complied with each and every covenant and undertaking set forth in Sections 5, 6 and 7 of the Employment Agreement and in the Non-Competition Agreement, and agree to continue to comply with and perform such covenants and undertakings following the Separation Date, as if the same were fully set forth herein, including obligations regarding confidential information, non-competition, non-solicitation, and inventions, which are incorporated into this Agreement by this reference. You acknowledge and agree that the Company's payment of the consideration described in Section 2 is conditioned upon your continued compliance with those obligations.

(b) For the avoidance of doubt, and without limiting the covenants in Section 11(a) above:

(i)Due to your role and responsibilities with the Company, you are restricted from undertaking employment with a competitor of the Company under the terms of the Non-Competition Agreement without first notifying the Company in writing and receiving the Company's consent. In accordance with Paragraph 9 of the Non-Competition Agreement, you agree to immediately notify the Company in writing if you are offered employment or any other interest referred to in Paragraph 9(e) of the Non-Competition Agreement with a Restricted Entity (as defined in the Non-Competition Agreement) during the time period set forth in the Non-Competition Agreement.

(ii)Pursuant to Sections 5.1 and 5.2 of the Employment Agreement respectively, you acknowledge that (i) your obligation to protect the Company's confidential information, and (ii) your obligation refrain from prohibited competition, each remain in effect and you agree to abide by those obligations.

(c) You agree that the terms and conditions of this Agreement are confidential and that you will not disclose the terms and conditions of this Agreement to any third parties, provided, however, that you may disclose the terms and conditions of this Agreement (i) to your spouse or partner, attorney, or accountant, provided you instruct such persons not to disclose the terms and conditions of this Agreement to any third party, and provided that if any person to whom you disclose information pursuant to this Section 11(c) discloses, in whole or in part, such information, you shall be deemed to have breached this Agreement, or (ii) as required by law as may be necessary to enforce this Agreement or to comply with its terms.

12. NON-DISPARAGEMENT. Pursuant to Section 5.3 of the Employment Agreement, you agree that you will not utter, issue or circulate publicly any false or disparaging statements, remarks or rumors about the Company and/or any of its businesses, or of its officers, employees or directors. Nothing in this Section shall (i) prohibit you or any other person or entity from providing truthful and accurate facts where required by lawfully compelled testimony; provided that, if you are called to testify, you will notify the Company in advance of any such

testimony and cooperate with the Company's reasonable efforts with respect to such testimony, to the fullest extent permitted by applicable law, or (ii) affect your rights under Section 16 of this Agreement.

13. RETURN OF COMPANY PROPERTY. You represent and warrant that (a) on or before the Separation Date or prior thereto upon request of the Company at any time, you will return to the Company all Company property in your possession or control, including, without limitation, company cars where applicable, computer disks or data (including data retained on any computer), any home-office equipment or computers, cell phones, smartphones, purchased or provided by the Company, any keys, identification and access cards, records, documents, files or other materials; (b) you have removed any and all electronic data relating to Company confidential information and trade secrets from any personal computer(s) or mobile telecommunication devices in your possession or control; and (c) you have not retained any such electronic data (or copies thereof) in any form. Nothing in this Agreement or elsewhere shall prevent you from (a) disclosing your post-employment restrictions and obligations in confidence in connection with any potential new employment or business venture, or (b) disclosing documents and information in confidence to your attorney(s), financial advisor(s), tax preparer(s), and other professional(s) for the purpose of securing professional advice.

14. NON-ADMISSION. This Agreement does not constitute an admission by the Releasees that any of them took any action with respect to you that was wrongful, unlawful or in violation of any local, state or federal act, statute, or constitution, or susceptible of inflicting any damages or injury on you, and the Company specifically denies any such wrongdoing or violation. Neither the Agreement nor its execution and implementation may be used as evidence, and will not be admissible in a subsequent proceeding of any kind, except one alleging a breach of this Agreement.

15. EFFECT OF BREACH.

(a) In the event of any breach or threatened breach of this Agreement, the Company shall be entitled to the following forms of relief (i) its reasonable attorney's fees and costs incurred in enforcing the provisions in this Agreement and (ii) in addition to any and all other remedies available to the Company at law or in equity, or pursuant to the Employment Agreement, for any violation of Sections 11, 12, or 13 of this Agreement, you agree to immediately remit and disgorge to the Company any and all payments paid or payable to you in connection with or as a result of engaging in any of the above acts.

(b) In the event you breach any of the obligations set forth in this Agreement or any of your ongoing obligations under the Employment Agreement or the Non-Competition Agreement, and, fail to cure such breach within 10 days to the Company's satisfaction after receiving written notice from the Company describing the breach in reasonable detail and requesting cure, any outstanding obligations of the Company hereunder will immediately terminate.

16. NON-INTERFERENCE WITH RIGHTS.

(a) You acknowledge that this Agreement does not limit your right, where applicable, to file a charge or participate in an investigation by any federal, state or local government agency (including without limitation the United States Department of Labor, the United States Equal Employment Opportunity Commission, or the National Labor Relations Board), but this Agreement does waive your right to file an individual or class action lawsuit against the Company or receive any equitable or monetary relief in connection with any such charge or investigation, except with respect to any monetary recovery under the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Sarbanes-Oxley Act of 2002.

(b) Nothing in this Agreement prohibits you from reporting possible violations of law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation.

(c) Under the federal Defend Trade Secrets Act of 2016, you shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

17. ASSIGNMENT. This Agreement may be assigned by the Company to (a) any affiliate of the Company or (b) any non-affiliate of the Company that shall acquire all or the greater part of the business and assets of the Company. In the event of any such assignment, the Company shall cause such assignee to assume the obligations of the Company hereunder with the same effect as if such assignee were the "Company" hereunder, and, in the case of such assignment to a non-affiliate, the Company and its affiliates shall be released from all liability hereunder. This Agreement is personal to you and you may not assign any rights or delegate any responsibilities hereunder without the prior approval of the Company.

18. GOVERNING LAW AND CHOICE OF FORUM. This Agreement shall be governed by, and construed pursuant to, the laws of the State of New York applicable to transactions executed and to be wholly performed in New York between residents thereof, without regard to the state's conflict of laws provisions, except as otherwise preempted by the laws of the United States. The parties consent and agree to the exclusive jurisdiction of the Federal and State courts sitting in New York County for all purposes. In the event of a breach of any provision of this Agreement, either party may institute an action specifically to enforce any term or terms of this Agreement and/or to seek any damages for breach. ALSO, THE PARTIES TO THIS AGREEMENT, TO THE EXTENT ALLOWED BY LAW, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED ON THIS AGREEMENT OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT, THE EMPLOYMENT RELATIONSHIP, OR ACTIONS OR INACTIONS OF ANY PARTY HERETO. This provision is a material inducement for the parties to enter into this Agreement.

19. ENTIRE AGREEMENT. This Agreement and the surviving provisions of the Employment Agreement (Sections 3.2, 3.3, 3.8, 4, 5, 6, 7, 8 and 9), and the Non-Competition Agreement, the applicable Bonus Programs, Incentive Compensation Plan and related equity compensation award or grant agreements applicable to you, and any attachments or exhibits thereto, expressly supersede any and all previous understandings and agreements between the Company and you and constitute the sole and exclusive understanding between the Company and you concerning the subjects set forth herein.

20. AMENDMENTS AND WAIVERS. No provision of this Agreement may be amended, modified, waived or discharged except as agreed to in writing by the parties hereto. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver thereof or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

21. FACSIMILE AND ELECTRONIC SIGNATURES. Facsimile transmission of signatures on this Agreement shall be deemed to be original signatures and shall be acceptable to the parties for all purposes. In addition, transmission by electronic mail of a PDF document created from the originally signed document shall be acceptable to the parties for all purposes.

If the foregoing text of this document correctly reflects our mutual agreement, please execute and return to the undersigned your signed copy of this Agreement.

Sincerely,

REVLON CONSUMER PRODUCTS CORPORATION

By: /s/ Ely Bar-Ness
Ely Bar-Ness
Chief Human Resources Officer

AGREEMENT AND
ACKNOWLEDGMENT

I, Sergio Pedreiro, acknowledge receipt of this Agreement and I agree to all the terms and conditions set forth herein. I have read and fully understand the meaning and effect of the terms set forth in the Agreement and enter into such Agreement knowingly and voluntarily of my own free will and without coercion, intimidation or threat of retaliation. I further represent and warrant that, except as set forth in the Agreement, no promises or inducement for this Agreement have been made, and I am entering into this Agreement without reliance upon any statement or representation by the Company or any other person, concerning any fact material hereto. I understand that as a result of entering into this Agreement, except as set forth herein, I will not have the right to assert that the Company unlawfully terminated my employment or violated any rights in connection with my employment. I also acknowledge and understand that I have been afforded at least twenty-one (21) days to consider the Agreement and to have the Agreement reviewed by my attorney if I so choose. I acknowledge that if I choose to forego the advice of an attorney, I am doing so freely, knowingly and voluntarily and waive any and all future claims that such action or actions would affect the validity of this Agreement.

Date: November 20, 2020

Name: /s/ Sergio Pedreiro
Sergio Pedreiro

**Exhibit 21.1**

## Subsidiaries of Revlon, Inc.

## As of December 31, 2020

### Domestic

Almay, Inc.
Art & Science, Ltd.
Bari Cosmetics, Ltd.
Beautyge II, LLC.
Beautyge Brands USA Inc.
Beautyge USA, Inc.
BrandCo Almay 2020 LLC
BrandCo Charlie 2020 LLC
BrandCo CND 2020 LLC
BrandCo Curve 2020 LLC
BrandCo Elizabeth Arden 2020 LLC
BrandCo Girogio Beverly Hills 2020 LLC
BrandCo Halston 2020 LLC
BrandCo Jean Nate 2020 LLC
BrandCo Mitchum 2020 LLC
BrandCo Multicultural Group 2020 LLC
BrandCo PS 2020 LLC
BrandCo White Shoulders 2020 LLC
Charles Revson Inc.
Creative Nail Design Inc.
Cutex, Inc.
DF Enterprises, Inc.
Elizabeth Arden (Financing), Inc.
Elizabeth Arden International Holding, Inc.
Elizabeth Arden Investments, LLC
Elizabeth Arden NM, LLC
Elizabeth Arden Travel Retail, Inc.
Elizabeth Arden USC, LLC
Elizabeth Arden, Inc.
FD Management, Inc.
North America Revsale Inc.
OPP Products, Inc.
PPI Two Corporation
RDEN Management, Inc.
Realistic Roux Professional Products Inc
Revlon (Puerto Rico) Inc.
Revlon Canada Inc.
Revlon Consumer Products Corporation
Revlon Development Corp.
Revlon Finance LLC
Revlon Government Sales, Inc.
Revlon International Corporation
Revlon Professional Holding Company LLC
Revlon, Inc.
RIROS Corporation
RIROS Group Inc.
RML, LLC
Roux Laboratories, Inc.
Roux Properties Jacksonville, LLC
SinfulColors, Inc.

**Exhibit 21.1**

## Foreign

American Crew Dominicana, S.R.L.
Armour Farmaceutica de Colombia, S.A.
Baninvest Beauty Limited
Beautyge I
Beautyge Andina SA
Beautyge Beauty Group, S.L
Beautyge Brands France Holding, SAS
Beautyge Denmark A/S
Beautyge Fragrances Holdings Ltd.
Beautyge France SAS
Beautyge Logistics Services, S.L.
Beautyge Logistics Services, S.L. - French Branch
Beautyge Netherlands B.V.
Beautyge Participations, S.L
Beautyge Portugal, Produtos Cosm. e Prof.
Beautyge Professional Limited (Ireland)
Beautyge Sweden AB
Beautyge U.K. Limited
Beautyge, S.L.
Beauytge France SAS - Swiss Branch
Beauytge Germany GMBH
Beauytge Italy S.p.A.
Beauytge Mexico SA de CV
Beauytge Rus, Closed Joint Stock Company
CBBeauty Ltd
Comercializadora Brendola, S.R.L.
Elizabeth Arden (Australia) Pty Ltd
Elizabeth Arden (Canada) Limited
Elizabeth Arden (Denmark) ApS
Elizabeth Arden (France) S.A.
Elizabeth Arden (Netherlands) Holdings B.V.
Elizabeth Arden (New Zealand) Limited
Elizabeth Arden (Norway) AS
Elizabeth Arden (Shanghai) Cosmetics & Fragrances Trading Ltd.
Elizabeth Arden (Singapore) Pte. Ltd.
Elizabeth Arden (South Africa) (Proprietary) Ltd
Elizabeth Arden (Sweden) AB
Elizabeth Arden (Switzerland) Holding S.a.r.L.
Elizabeth Arden (UK) Ltd.
Elizabeth Arden Cosmeticos Do Brazil Ltda
Elizabeth Arden España S.L.
Elizabeth Arden GmbH
Elizabeth Arden International S.A.R.L.
Elizabeth Arden Korea Yuhan Hoesa
Elizabeth Arden Middle East FZCO
Elizabeth Arden Sea (HK) Ltd.
Elizabeth Arden Sea Pte. Ltd.
Elizabeth Arden Trading B.V.
Elizabeth Arden Trading B.V. - Russia Representative Office
Elizabeth Arden Trading B.V. - Taiwan Branch
Européenne de Produits de Beauté, S.A.S.
New Revlon Argentina S.A.
Productos Cosmeticos de Revlon S.A.
Professional Beauty Services S.A.
Professional Beauty Services S.A. - Belgium Branch
Promethean Insurance Limited
Revlon (Hong Kong) Limited
Revlon (Israel) Limited
Revlon (Shanghai) Limited
Revlon (Suisse) S.A.
Revlon Australia Pty Limited
Revlon B.V.
Revlon Beauty Products, S.L.
Revlon China Holdings Limited
Revlon Holdings B.V.
Revlon International Corporation - UK Branch
Revlon K.K.
Revlon LTDA.
Revlon Manufacturing Ltd.
Revlon Manufacturing Ltd. - Singapore Branch
Revlon Manufacturing Ltd. - Taiwan Branch
Revlon Mauritius Ltd.
Revlon New Zealand Limited
Revlon Offshore Limited
Revlon Overseas Corporation
Revlon Pension Trustee Company (U.K.) Limited
Revlon South Africa (Proprietary) Limited
Revlon Trading (Shanghai) Co. Ltd
Revlon, S.A. de C.V.
RML Holdings L.P.
SAS and Company Limited
SAS Licenses Limited
Shanghai Revstar Cosmetics Marketing Services Limited
YAE Artistic Packings Industry Ltd.
YAE Press 2000 (1987) Ltd.

**Exhibit 23.1**

**Consent of Independent Registered Public Accounting Firm**

The Board of Directors
Revlon, Inc.:

We consent to the incorporation by reference in the registration statements (Nos. 333-116160 and 333-147955) on Form S-8 and (Nos. 333-169223 and 333-141545) on Form S-3 of Revlon, Inc. of our reports dated March 11, 2021, with respect to the consolidated balance sheets of Revlon, Inc. and subsidiaries as of December 31, 2020 and 2019, the related consolidated statements of operations and comprehensive loss, stockholders' deficiency, and cash flows for each of the years in the two-year period ended December 31, 2020, and the related notes, and the effectiveness of internal control over financial reporting as of December 31, 2020, which reports appear in the December 31, 2020 annual report on Form 10-K of Revlon, Inc.

/s/ KPMG LLP

New York, New York
March 11, 2021

**Exhibit 24.1**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ Ronald O. Perelman*

RONALD O. PERELMAN

**Exhibit 24.2**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, his true and lawful attorney-in-fact and agent, with full power of substitution, for him and in his name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ E. Scott Beattie*

E. SCOTT BEATTIE

**Exhibit 24.3**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ Alan S. Bernikow*

ALAN S. BERNIKOW

**Exhibit 24.4**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ Kristin A. Dolan*

KRISTIN A. DOLAN

**Exhibit 24.5**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ Ceci Kurzman*

CECI KURZMAN

**Exhibit 24.6**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March 2021.

*/s/ Victor Nichols*

VICTOR NICHOLS

**Exhibit 24.7**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ Barry F. Schwartz*

BARRY F. SCHWARTZ

**Exhibit 24.8**

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned hereby constitutes and appoints each of Cari Robinson and Grace Fu, or any one of them, each acting alone, her true and lawful attorney-in-fact and agent, with full power of substitution, for her and in her name, place and stead, in any and all capacities, in connection with the REVLON, INC. (the "Corporation") Annual Report on Form 10-K for the year ended December 31, 2020 (the "Form 10-K") under the Securities Exchange Act of 1934, as amended, including, without limiting the generality of the foregoing, to sign the Form 10-K in the name and on behalf of the Corporation or on behalf of the undersigned as a director of the Corporation, and any amendments to the Form 10-K and any instrument, contract, document or other writing of or in connection with the Form 10-K or amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, including this power of attorney, with the Securities and Exchange Commission and any applicable securities exchange or securities self-regulatory body, granting unto said attorneys-in-fact and agents, each acting alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, each acting alone, or their respective substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned has signed these presents this 11th day of March, 2021.

*/s/ Cristiana Falcone*

CRISTIANA FALCONE

**Exhibit 31.1**

**CERTIFICATIONS**

I, Debra Perelman, certify that:

1. I have reviewed this annual report on Form 10-K (the "Report") of Revlon, Inc. (the "Registrant");

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: March 11, 2021

/s/ Debra Perelman
Debra Perelman
President and Chief Executive Officer

**Exhibit 31.2**

**CERTIFICATIONS**

I, Victoria Dolan, certify that:

1. I have reviewed this annual report on Form 10-K (the "Report") of Revlon, Inc. (the "Registrant");

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: March 11, 2021

/s/ Victoria Dolan
Victoria Dolan
Chief Financial Officer

**Exhibit 32.1**

**CERTIFICATION 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 Annual Report on Form 10-K of Revlon, Inc. (the "Company") for the period ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Debra Perelman, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(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.

/s/ Debra Perelman
Debra Perelman
Chief Executive Officer

March 11, 2021

**Exhibit 32.2**

**CERTIFICATION 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 Annual Report on Form 10-K of Revlon, Inc. (the "Company") for the period ended December 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Victoria Dolan, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(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.

/s/ Victoria Dolan
Victoria Dolan
Chief Financial Officer

March 11, 2021

**REVLON, INC.**
**2021 AUDIT COMMITTEE PRE-APPROVAL POLICY**

## I. Statement of Principles

The Audit Committee is required to pre-approve the audit and non-audit services performed by the Company's independent auditor, KPMG LLP ("KPMG LLP" or the "independent auditor"), in order to assure that KPMG LLP's provision of such services does not impair its independence. Unless a type of service to be provided by the independent auditor is within the pre-approved services and dollar limits set forth in the appendices attached to this Policy, the provision of such service by the independent auditor will require specific pre-approval by the Audit Committee.

The appendices to this Policy describe the Audit Services, Audit-Related Services, Tax Services and All Other Services that have the general pre-approval of the Audit Committee for 2021, as well as the applicable dollar limits for the particular services. The Audit Committee will annually review and pre-approve the services that may be provided by the independent auditor without obtaining specific pre-approval from the Audit Committee. The Audit Committee may revise the list of general pre-approved services from time to time. The Audit Committee does not delegate its responsibilities to pre-approve services performed by the independent auditor to management.

## II. Delegation

The Audit Committee may delegate pre-approval authority to one or more of its members for Audit-Related, Tax Services or All Other Services (each as defined below) to be provided by the independent auditor (but excluding Annual Audit Services referred to in Section III below and prohibited services referred to in Section VII below). Specifically, the Chairman of the Audit Committee may approve services which are not Annual Audit Services referred to in Section III below or prohibited services referred to in Section VII below if the fees as to any applicable project will not exceed $35,000, provided that the independent auditor complies with any applicable rules or requirements of this Policy to document the services to the Audit Committee and to discuss such services with the Audit Committee. The member or members to whom such authority is delegated shall report any pre-approval decisions to the Audit Committee at least quarterly on the services provided by KPMG LLP and the approximate fees paid or payable to KPMG LLP for such services during the preceding quarter, including a report on any services pre-approved during such quarter by the Chairman of the Audit Committee pursuant to this Section II.

## III. Audit Services

The terms and fees of the annual Audit Services engagement, including, without limitation, the independent auditor's services in connection with the audit of the Company's annual financial statements and internal control over financial reporting and the independent auditor's review of the Company's financial statements included in the Company's quarterly reports on Form 10-Q, are subject to the specific pre-approval of the Audit Committee. Any changes in terms, conditions and fees resulting from changes in audit scope or other matters, if necessary, are also subject to Audit Committee approval.

In addition to the foregoing annual Audit Services engagement, the Audit Committee may grant pre-approval for other Audit Services, which are those services that are normally provided by the independent auditor in connection with statutory and regulatory filings or engagements and other services that generally only the independent auditor reasonably can provide, such as comfort letters, statutory audits, attest services, consents and assistance with and review of documents filed with the SEC. The Audit Committee has pre-approved the other Audit Services listed in Appendix A, provided that such services do not exceed the pre-approved fees set forth on Appendix A. All other Audit Services not listed in Appendix A must be specifically pre-approved by the Audit Committee.

## IV. Audit-related Services

Audit-Related Services are assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements or that are traditionally performed by the independent auditor, and in each case which are not covered by the Audit Services described in Section III. Such services could include, among other things, employee benefit plan audits, due diligence related to mergers and acquisitions, accounting consultations and audits in connection with acquisitions, attest services and internal control reviews that are not required by statute and regulation and consultations concerning financial accounting and reporting standards. The Audit Committee believes that the provision of Audit-Related Services does not impair the auditor's independence, and has pre-approved the Audit-Related Services listed in Appendix B, provided that such services do not exceed the pre-approved fees set forth on Appendix B. All other Audit-Related Services not listed in Appendix B must be specifically pre-approved by the Audit Committee, except to the extent covered by the delegation of authority under Section II above. As to all non- audit internal control services to be provided to the Company, the independent auditor must: (1) describe in writing to the Audit Committee the scope of the proposed non-audit internal control service; (2) discuss with the Audit Committee any potential effects on the independent auditor's

independence that could be caused by the independent auditor's performance of the proposed non-audit internal control service; and (3) document the substance of such discussions with the Audit Committee.

### V. TAX SERVICES

The Audit Committee believes that the independent auditor can provide certain Tax Services to the Company, such as: (i) tax compliance (e.g., preparing original and amended state and federal corporate tax returns, planning for estimated tax payments and preparation of tax return extensions); (ii) tax advice; and (iii) tax planning, without impairing the auditor's independence. Tax advice and tax planning could include, without limitation, assistance with tax audits and appeals, tax advice related to mergers and acquisitions and employee benefit plans and request for rulings or technical advice from taxing authorities. However, the Audit Committee will not permit the retention of the independent auditor (or any affiliate of the independent auditor) in connection with the provision of any prohibited tax service listed in Exhibit 1 to the Company or its affiliates, as the PCAOB has determined that such prohibited tax services would impair the independent auditor's independence.

The Audit Committee has pre-approved the Tax Services listed in Appendix C, provided that such services do not exceed the pre- approved fees set forth on Appendix C. All other Tax Services for the Company not listed in Appendix C must be specifically pre- approved by the Audit Committee, except to the extent covered by the delegation of authority under Section II above, provided that the independent auditor complies with any applicable rules and the following requirements to document the applicable Tax Services to the Audit Committee and to discuss such services with the Audit Committee.

As to all Tax Services for the Company, the independent auditor must: (1) describe in writing to the Audit Committee the scope of the proposed Tax Service, the proposed fee structure for the engagement and any agreement between the independent auditor and the Company and its affiliates relating to the proposed Tax Service; (2) describe in writing to the Audit Committee any compensation arrangement or other agreement, such as a referral agreement, a referral fee or fee-sharing arrangement, between the independent auditor or any of its affiliates and any person (other than the Company and its affiliates) with respect to the promoting, marketing or recommending of any transaction covered by the Tax Service; (3) discuss with the Audit Committee any potential effects of the proposed Tax Services on the independent auditor's independence; and (4) document the substance of such discussions with the Audit Committee.

### VI. ALL OTHER SERVICES

The Audit Committee may grant general pre-approval to those permissible non-audit services classified as All Other Services that it believes are routine and recurring services, and would not impair the auditor's independence, provided such All Other Services may not include Audit Services referred to in Section III above or prohibited services referred to in Section VII below. The Audit Committee has pre-approved the All Other Services listed in Appendix D, provided that such services do not exceed the pre-approved fees set forth on Appendix D. Permissible All Other Services other than those listed in Appendix D must be specifically pre- approved by the Audit Committee, except to the extent covered by the delegation of authority under Section II above.

### VII. PROHIBITED SERVICES

The Company will not retain its independent auditors for any services that are "prohibited services" as defined by applicable statutes or regulations, as may be in effect from time to time, including, without limitation, those services prohibited by Section 201(a) of the Sarbanes-Oxley Act of 2002 and the SEC's or the PCAOB's rules and regulations and such other rules and regulations as may be promulgated thereunder from time to time. Attached to this policy as Exhibit 1 is a list of the SEC's and PCAOB's prohibited non- audit services, including prohibited tax services.

### VIII. PRE-APPROVAL FEE LEVELS

Pre-approval fee levels for all services to be provided by the independent auditor will be established annually by the Audit Committee. Any services proposed to be provided by the independent auditors during a fiscal year exceeding these levels will require specific pre-approval by the Audit Committee.

### IX. PROCEDURES

Requests or applications to provide services that require specific approval by the Audit Committee may be submitted to the Audit Committee by the independent auditor and any of the Company's Chief Financial Officer, Chief Accounting Officer and Corporate Controller or General Counsel.

**Appendix A**

**Pre-Approved Audit Services for Fiscal Year 2021**

Dated: November 4, 2020

| **Service** | |
|---|---|
| 1. Statutory audits or financial audits for subsidiaries of the Company | |
| 2. Services associated with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings (e.g., comfort letters, consents), and assistance in responding to SEC comment letters | **Total Pre-Approved Annual Fees for Pre-Approved Audit Services:** |
| 3. Consultations by the Company's management as to the accounting or disclosure treatment of transactions or events and/or the actual or potential impact of final or proposed rules, standards or interpretations by the SEC, FASB, or other regulatory or standard setting bodies | **$250,000** |

**Appendix B**

**Pre-Approved Audit-Related Services for Fiscal Year 2021***

Dated: November 4, 2020

| **Service** | |
|---|---|
| 1. Due diligence services pertaining to potential business acquisitions/dispositions | |
| 2. Financial statement audits of employee benefit plans | |
| 3. Agreed-upon or expanded audit procedures related to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters | **Total Pre-Approved Annual Fees for Pre-Approved Audit- Related Services:** |
| 4. Attest services and internal control reviews not required by statute or regulation | |
| 5. Audit work in connection with liquidations and contract terminations; legal entity dissolution/restructuring assistance; and inventory audits | **$200,000** |

*The foregoing pre-approval of non-audit internal control services identified on this Appendix B is subject in all cases to compliance with Section IV of this Pre-Approval Policy, including without limitation, compliance with applicable rules to document the services to the Audit Committee and to discuss such services with the Audit Committee.

**Appendix C**

**Pre-Approved Tax Services for Fiscal Year 2021***

Dated: November 4, 2020

| **Service** | |
|---|---|
| 1. U.S. federal, state and local tax compliance, including, without limitation, review of income, franchise and other tax returns | |
| 2. International tax compliance, including, without limitation, review of income, franchise and other tax returns | |
| 3. U.S. federal, state and local tax advice, including, without limitation, general tax advisory services | **Total Pre-Approved Annual Fees for Pre-Approved Tax Services:**<br><br>**$675,000** |
| 4. International tax advice, including, without limitation, intercompany pricing and advanced pricing agreement services, general tax advisory services and tax audits and appeals services | |
| 5. Global trade and customs consulting and advisory services | |

*The foregoing pre-approval of Tax Services identified on this Appendix C is subject in all cases to compliance with Section V of this Pre-Approval Policy, including without limitation, compliance with applicable rules to document the services to the Audit Committee and to discuss such services with the Audit Committee.

**Appendix D**

**Pre-Approved All Other Services for Fiscal Year 2021**

Dated: November 4, 2020

| **Service** | |
|---|---|
| All Other Services approved by the Chairman of the Audit Committee pursuant to Section II of this policy, provided that the independent auditor complies with any applicable rules and requirements of this Policy to document the services to the Audit Committee and to discuss such services with the Audit Committee (and in each case excluding Audit Services described in Section III and prohibited services described in Section VII). | **Total Pre-Approved Annual Fees for Pre-Approved All Other Services:**<br><br>**$35,000 per project** |

**Exhibit 1**

## I. PROHIBITED NON-AUDIT SERVICES

Bookkeeping or other services related to the accounting records or financial statements of the audit client
Financial information systems design and implementation*
Appraisal or valuation services, fairness opinions or contribution-in-kind reports*
Actuarial services*
Internal audit outsourcing services*
Management functions
Human resources
Broker-dealer, investment adviser or investment banking services
Legal services
Expert services unrelated to the audit

Each of these prohibited services is subject to applicable exceptions under the SEC's rules.

*Unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements.

## II. PROHIBITED TAX SERVICES

The PCAOB has determined the following services to be "Prohibited Tax Services" for the independent auditor (including any affiliate of the independent auditor, as defined in PCAOB Rule 3501(a)(i)):

♦ any service or product by the independent auditor or any of its affiliates for the Company and its affiliates for a contingent fee or a commission, including any fee established for the sale of a product or the performance of any service pursuant to an arrangement in which no fee would be payable unless a specified finding or result is attained or the amount of the fee is otherwise dependent on the finding or result of such product or service, taking into account any rights to reimbursements, refunds or other repayments that could modify the amount received in a manner that make it contingent on a finding or result (excluding fees where the amount is fixed by courts or other public authorities and is not dependent on a finding or result), or the independent auditor or any of its affiliates receives, directly or indirectly, a contingent fee or commission;

♦ non-audit services by the independent auditor or any of its affiliates for the Company and its affiliates related to marketing, planning or opining in favor of the tax treatment of a "confidential transaction" as defined under PCAOB Rule 3501(c)(i) or an "aggressive tax position transaction" (including, without limitation, any transaction that is a "listed transaction" under applicable U.S. Treasury regulations) that was (i) initially recommended, directly or indirectly, by the independent auditor or another tax advisor with which the independent auditor has a formal agreement or other arrangement related to the promotion of such transactions, and (ii) a significant purpose of which is tax avoidance, unless the proposed tax treatment is at least more likely than not to be allowable under applicable tax laws; and

♦ tax services by the independent auditor or any of its affiliates for persons that serve in a financial reporting oversight role at the Company or its affiliates, including any employee who is in a position to, or does, exercise influence over the contents of the Company's financial statements or any employee who prepares the financial statements, including, without limitation, the Company's chief executive officer, president, chief financial officer, chief operating officer, general counsel, chief accounting officer, controller, director of internal audit, director of financial reporting, treasurer or any equivalent position, including for any immediate family member of such employees (being such employee's spouse, spousal equivalent and dependents), but excluding tax services for: (i) any person who serves in a financial reporting oversight role for the Company or its affiliates solely because such person serves as a member of the Board of Directors, the Audit Committee, any other Board committee or similar management or governing body of the Company or its affiliates (in each case who do not otherwise occupy an employment position in a financial oversight role); (ii) any person serving in a financial reporting oversight role at the Company or its affiliates only because of such person's relationship to an affiliate of the Company if such affiliate's financial statements (1) are not material to the Company's consolidated financial statements or (2) are audited by an auditor other than the Company's independent auditor or its associated persons; and (iii) employees who were not in a financial reporting oversight role for the Company or its affiliates before a hiring, promotion or other change in employment event and the tax services were provided by the independent auditor or any of its affiliates to such

person pursuant to an engagement in process before the hiring, promotion or other change in employment event, provided that such tax services are completed on or before 180 days after the hiring or promotion event.

*Last reviewed and updated as of November 4, 2020*