

# **SENIOR SECURED CREDIT AGREEMENT**

dated as of March 1, 2023

between

**MIDWEST MANUFACTURING CO.**  
(as Borrower)

and

**INDUSTRIAL CREDIT PARTNERS, LLC**  
(as Administrative Agent and Lender)

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**TERM LOAN FACILITY**  
\$50,000,000

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## **1 DEFINITIONS**

**"Borrower"** means Midwest Manufacturing Co., an Ohio corporation.

**"Commitment Amount"** means Fifty Million Dollars (\$50,000,000).

**"EBITDA"** means, for any period, Net Income plus (a) Interest Expense, (b) taxes, (c) depreciation, and (d) amortization.

**"Leverage Ratio"** means Total Debt divided by EBITDA for the trailing twelve months.

**"Interest Coverage Ratio"** means EBITDA divided by Interest Expense for the trailing twelve months.

**"Current Ratio"** means Current Assets divided by Current Liabilities.

**"Maturity Date"** means March 1, 2028.

## **2 THE CREDIT FACILITY**

### **2.1 Term Loan**

The Lender agrees to make a term loan to the Borrower in the aggregate principal amount of \$50,000,000.

### **2.2 Interest Rate**

The Loan shall bear interest at SOFR plus 3.25%.

## **2.3 Amortization**

Principal shall be payable in quarterly installments of \$1,250,000 beginning June 1, 2023.

# **3 FINANCIAL COVENANTS**

## **3.1 Maximum Leverage Ratio**

The Borrower shall maintain a Leverage Ratio not exceeding:

<b>Period</b>	<b>Maximum Ratio</b>
Through December 31, 2024	5.50:1.00
January 1, 2025 through December 31, 2025	5.00:1.00
January 1, 2026 and thereafter	4.50:1.00

## **3.2 Minimum Interest Coverage Ratio**

The Borrower shall maintain an Interest Coverage Ratio of not less than **2.00:1.00**.

## **3.3 Minimum Current Ratio**

The Borrower shall maintain a Current Ratio of not less than **1.25:1.00**.

## **3.4 Minimum EBITDA**

The Borrower shall maintain EBITDA of not less than **\$12,000,000** for any trailing twelve-month period.

# **4 REPORTING REQUIREMENTS**

Within 45 days after each fiscal quarter, the Borrower shall deliver a Compliance Certificate certifying compliance with all financial covenants.

# **5 EVENTS OF DEFAULT**

The following constitute Events of Default: (a) non-payment, (b) covenant breach, (c) cross-default, (d) bankruptcy, (e) material adverse change.

# **6 SIGNATURES**

### **BORROWER:**

MIDWEST MANUFACTURING CO.

By: \_\_\_\_\_  
Name: Robert Thompson

Title: President & CEO

Date: March 1, 2023

**LENDER:**

INDUSTRIAL CREDIT PARTNERS, LLC

By: \_\_\_\_\_

Name: David Morrison

Title: Managing Director

Date: March 1, 2023