

[Execution Version]

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Revolver CUSIP: 46611NAF0  
Term CUSIP: 46611NAG8

CREDIT AGREEMENT  
dated as of June 20, 2014

among

J. C. PENNEY COMPANY, INC.,  
J. C. PENNEY CORPORATION, INC.,  
J. C. PENNEY PURCHASING CORPORATION,

The Lenders Party Hereto,

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

BANK OF AMERICA, N.A.,  
as Term Agent

WELLS FARGO BANK, NATIONAL ASSOCIATION and BANK OF AMERICA, N.A.,  
as Co-Collateral Agents

and

WELLS FARGO BANK, NATIONAL ASSOCIATION, as LC Agent

BANK OF AMERICA, N.A.  
WELLS FARGO SECURITIES LLC  
J.P. MORGAN SECURITIES LLC  
BARCLAYS BANK PLC  
GOLDMAN SACHS BANK USA  
as Term Joint Bookrunners and Term Joint Lead Arrangers

WELLS FARGO BANK, NATIONAL ASSOCIATION  
BANK OF AMERICA, N.A.  
J.P. MORGAN SECURITIES LLC  
BARCLAYS BANK PLC  
GOLDMAN SACHS BANK USA  
HSBC BANK USA, N.A.  
CIT FINANCE LLC  
CITIZENS BANK, NATIONAL ASSOCIATION  
REGIONS BUSINESS CAPITAL, A DIVISION OF REGIONS BANK  
as Revolving Joint Bookrunners and Revolving Joint Lead Arrangers

BANK OF AMERICA, N.A.  
as Syndication Agent

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and

J.P. MORGAN SECURITIES LLC,  
BARCLAYS BANK PLC  
GOLDMAN SACHS BANK USA  
HSBC BANK USA, N.A.  
CIT FINANCE LLC  
CITIZENS BANK, NATIONAL ASSOCIATION  
REGIONS BANK  
as Joint Documentation Agents

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CREDIT AGREEMENT dated as of June 20, 2014 (the “Agreement”), among J. C. PENNEY COMPANY, INC. (“Holdings”), J. C. PENNEY CORPORATION, INC. (“Parent Borrower”), J. C. PENNEY PURCHASING CORPORATION (“Purchasing”), the lenders listed on the signature pages hereof or pursuant to any joinder hereto or through an assignment as Revolving Lenders or Term Lenders, as applicable (collectively, the “Lenders”), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (in such capacity, “Administrative Agent”) and Revolving Agent (in such capacity, “Revolving Agent”), BANK OF AMERICA, N.A., as Term Agent (in such capacity, “Term Agent”), WELLS FARGO BANK, NATIONAL ASSOCIATION and BANK OF AMERICA, N.A., as co-collateral agents (collectively, in such capacity, the “Co-Collateral Agents”), WELLS FARGO BANK, NATIONAL ASSOCIATION, as LC Agent (in such capacity, “LC Agent”), BANK OF AMERICA, N.A., WELLS FARGO SECURITIES LLC, J.P. MORGAN SECURITIES LLC, BARCLAYS BANK PLC, and GOLDMAN SACHS BANK USA, as Term Joint

Bookrunners and Term Joint Lead Arrangers (collectively “Term Lead Arrangers”),WELLS FARGO BANK, NATIONAL ASSOCIATION, BANK OF AMERICA, N.A., J.P. MORGAN SECURITIES LLC, BARCLAYS BANK PLC, GOLDMAN SACHS BANK USA, HSBC BANK USA, N.A., CIT FINANCE LLC, CITIZENS BANK, NATIONAL ASSOCIATION, and REGIONS BUSINESS CAPITAL, A DIVISION OF REGIONS BANK, as Revolving Joint Bookrunners and Revolving Joint Lead Arrangers (collectively “Revolving Lead Arrangers”, and together with Term Lead Arrangers, collectively, “Lead Arrangers”), BANK OF AMERICA, N.A., as Syndication Agent (in such capacity, “Syndication Agent”), and J.P. MORGAN SECURITIES LLC, BARCLAYS BANK PLC, GOLDMAN SACHS BANK USA, HSBC BANK USA, N.A., CIT FINANCE LLC, CITIZENS BANK, NATIONAL ASSOCIATION, and REGIONS BANK, as Joint Documentation Agents (in such capacity, “Joint Documentation Agents”).

#### WITNESSETH:

WHEREAS, Holdings, Parent Borrower and Purchasing have requested that Agent and Lenders enter into financing arrangements with Borrowers pursuant to which Lenders may make loans and provide other financial accommodations to Borrowers; and

WHEREAS, each Lender is willing to agree (severally and not jointly) to make such loans and provide such financial accommodations to Borrowers on the terms and conditions set forth herein and Administrative Agent, Term Agent, Revolving Agent and LC Agent are willing to act in such capacities on the terms and conditions set forth herein and the other Loan Documents;

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

#### ARTICLE I Definitions

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“ABL Priority Collateral” has the meaning assigned to it in the Existing Intercreditor Agreement.

“ABR”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

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“Account Debtor” means any Person obligated on an Account.

“Account Parties” means the Parent Borrower and Purchasing.

“Accounts” means “accounts” as defined in the UCC, and also means Payment Intangibles and any right to payment of a monetary obligation, whether or not earned by performance, (a) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (b) for services rendered or to be rendered or (c) arising out of the use of a credit, debit or charge card or information contained on or for use with the card. The term “Account” does not include (i) rights to payment evidenced by chattel paper or an instrument, (ii) commercial tort claims, (iii) deposit accounts, (iv) investment property, (v) letter-of-credit rights or letters of credit, or (vi) rights to payment for money or funds advanced

other than Payment Intangibles and any rights arising out of the use of a credit, debit or charge card or information contained on or for use with the card.

“Acquisition” means, with respect to any Person (a) an investment in, or a purchase of a Controlling interest in, the Equity Interests of any other Person, (b) a purchase or other acquisition of all or substantially all of the assets or properties of, another Person or of any business unit or division of another Person, or (c) any merger or consolidation of such Person with any other Person or other transaction or series of transactions resulting in the acquisition of all or substantially all of the assets, or a Controlling interest in the Equity Interests, of any Person, in each case in any transaction or group of transactions which are part of a common plan.

“Additional Costs” has the meaning assigned to such term in Section 2.14(c).

“Additional Grantor” means any Subsidiary of the Parent Borrower that is designated by the Parent Borrower, with the prior written consent of the Administrative Agent, to become a party to the Collateral Agreement for the purpose of granting a security interest in such Subsidiary’s inventory; provided that the Parent Borrower shall cause the Collateral and Guarantee Requirement to be satisfied with respect to such Subsidiary immediately upon such Subsidiary becoming an Additional Grantor.

“Additional Term Loans” has the meaning assigned to such term in Section 2.22.

“Adjusted Excess Availability” means, at any time, the sum of (a) the amount equal to (i) the Revolving Credit Line Cap minus (ii) the total Revolving Credit Exposures outstanding at such time, plus (b) the amount of Qualified Cash at such time (not to exceed \$125,000,000).

“Adjusted LIBO Rate” means, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate; provided, that, notwithstanding the foregoing, for purposes of the Term Loans and Obligations arising in respect thereof, in no event shall the Adjusted LIBO Rate at any time be deemed to be less than 1.00% per annum.

“Administrative Agent” means Wells Fargo Bank, National Association, in its capacity as administrative agent for the Lenders hereunder.

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

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

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“Agents” means Administrative Agent, Co-Collateral Agents, LC Agent, Revolving Agent and Term Agent, each in such capacity.

“Agreement” has the meaning set forth in the preamble hereto.

“All-in Yield” means, as to any Indebtedness, the effective interest rate with respect thereto as reasonably determined by Term Agent consistent with generally accepted financial practices, taking into account the interest rate, margin, original issue discount, upfront fees and “eurodollar rate floors” or “base rate floors”; provided that (i) original issue discount and upfront fees shall be equated to interest rate assuming a four-year life to maturity of such Indebtedness and (ii) (A) customary arrangement, structuring, underwriting, amendment, commitment or similar fees paid solely to the applicable



arrangers or agents (or their respective affiliates) with respect to such Indebtedness, (B) fees that are not paid generally to the lenders providing such Indebtedness, and (C) fluctuations in the LIBO Rate shall be excluded.

“Alternate Base Rate” means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the Prime Rate, and (c) the Adjusted LIBO Rate plus 1.00%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Rate or the Adjusted LIBO Rate, respectively.

“Amortization Reserve” means, on any date, a Reserve equal to the excess, if any, of (a) the aggregate amount of all payments of principal in respect of Permitted First-Lien Indebtedness and Permitted Second-Lien Indebtedness scheduled to be paid within 90 days after such date over (b) \$20,000,000.

“Applicable Commitment Fee Percentage” means 0.375% per annum.

“Applicable Lending Office” means, for each Issuing Bank or Lender, the office or branch of such Issuing Bank or Lender (or an affiliate of such Issuing Bank or Lender) designated in an Administrative Questionnaire delivered by such Issuing Bank or Lender to the Administrative Agent or such other office or branch of such Issuing Bank or Lender as such Issuing Bank or Lender may, from time to time, in accordance with the terms of this Agreement, specify to the Administrative Agent, the Borrowers and the Account Parties as the office or branch by which its Letters of Credit, Loans or Commitments, as applicable, are to be made and maintained.

“Applicable Percentage” means, with respect to any Lender, at any time, the fraction, expressed as a percentage, (a) the numerator of which, in the case of a Revolving Lender, is the Revolving Commitment of such Revolving Lender and in the case of a Term Lender, is the then outstanding principal amount of the Term Loans owing to such Term Lender and (b) the denominator of which is the sum of (i) the Revolving Maximum Credit plus (ii) the aggregate principal amount of the Term Loans then outstanding; provided that when a Defaulting Lender shall exist, “Applicable Percentage” shall mean such percentage disregarding any Defaulting Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments.

“Applicable Revolving Loan Margin” means, as of any date of determination and with respect to ABR Revolving Loans or Eurodollar Revolving Loans, as applicable, the applicable margin set forth in the following table that corresponds to the Quarterly Average Excess Availability of Borrowers for the most recently completed fiscal quarter of Borrowers; provided, that, (i) for the period from the Closing Date through and including the last day of the second full fiscal quarter of Borrowers after the Closing

Date, the Applicable Revolving Loan Margin shall be set at Level II, (ii) the Applicable Revolving Loan Margin will be adjusted and effective as of the first day of each fiscal quarter of Borrowers thereafter based on the below grid and shall remain in effect until adjusted thereafter as of the first day of the next fiscal quarter, and (iii) if any Borrowing Base Certificate is at any time restated or otherwise revised (including as a result of a field examination) or if the information set forth in any Borrowing Base Certificates otherwise proves to be false or incorrect such that the Applicable Revolving Loan Margin would have been higher than was otherwise in effect during any period, without constituting a waiver of any Default or Event of Default arising as a result thereof, interest due under this Agreement shall be immediately recalculated at such higher rate for any applicable periods and shall be due and payable on demand:

<u>Level</u>	Quarterly Average	Applicable Eurodollar Rate	<u>Applicable ABR Margin</u>

	Excess <u>Availability</u>	<u>Margin</u>	
I	Equal to or greater than 66.67% of the Revolving Commitments	2.50%	1.50%
II	Greater than or equal to 33.33% of the Revolving Commitments but less than 66.67% of the Revolving Commitments	2.75%	1.75%
III	Less than 33.33% of the Revolving Commitments	3.00%	2.00%

“Applicable Revolving Percentage” means, with respect to any Revolving Lender, at any time, the fraction expressed as a percentage, (a) the numerator of which is the Revolving Commitment of such Revolving Lender and (b) the denominator of which is the total Revolving Commitments; provided that when a Defaulting Lender shall exist, “Applicable Revolving Percentage” shall mean such percentage disregarding any Defaulting Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Revolving Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments.

“Applicable Term Loan Margin” means (a) with respect to any outstanding portion of the Term Loans that are Eurodollar Loans, 4.00% per annum, and (b) with respect to any outstanding portion of the Term Loans that are ABR Loans, 3.00% per annum.

“Applicable Term Percentage” means, with respect to any Term Lender, at any time, the fraction expressed as a percentage, (a) the numerator of which is the principal amount of the Term Loans then owing to such Lender and (b) the denominator of which is the aggregate principal amount of the Term Loans then outstanding.

“Approved Revolving Fund” means any Fund that is administered or managed by (a) a Revolving Lender, (b) an Affiliate of a Revolving Lender, (c) an entity or an Affiliate of an entity that administers or manages a Revolving Lender that is an Approved Fund or (d) an advisor under common control with such Revolving Lender, Affiliate or advisor, as applicable.

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

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manages a Term Lender that is an Approved Fund or (d) an advisor under common control with such Term Lender, Affiliate or advisor, as applicable.

“Asset Sale” means a sale, lease or sub-lease (as lessor or sublessor), sale and leaseback, assignment, conveyance, exclusive license (as licensor or sublicense), transfer or other disposition to, or any exchange of property with, any Person (including the voluntary termination of a lease or other contract for consideration), in one transaction or a series of transactions, of all or any part of Holdings’ or any of its Subsidiaries’ businesses, assets or properties of any kind, whether real, personal, or mixed and whether tangible or intangible, whether now owned or hereafter acquired, leased or licensed, including the Equity Interests of any of Holdings’ Subsidiaries, other than (i) inventory (or other assets) sold, leased or licensed out in the ordinary course of business (excluding any such sales, leases or licenses out by operations or divisions discontinued or to be discontinued), (ii) any disposition (which for purposes of this definition shall have the meaning assigned thereto in Section 6.7 of the Existing Term Loan Agreement as in effect on the date hereof) permitted by Section 6.7 of the Existing Term Loan Agreement as in effect on the date hereof of or with respect to assets (A) not constituting Collateral

(which for purposes of this definition shall have the meaning assigned to such term in the Existing Term Loan Agreement as in effect on the date hereof) or (B) not required to become Collateral pursuant to Schedule 5.15 of the Existing Term Loan Agreement as in effect on the date hereof, (iii) any disposition permitted by Section 6.7 of the Existing Term Loan Agreement as in effect on the date hereof or with respect to assets which are required to become Collateral pursuant to clause 6 of Schedule 5.15 of the Existing Term Loan Agreement as in effect on the date hereof (whether or not such assets constitute Collateral at the time of such disposition), (iv) any other disposition permitted by Section 6.7 of the Existing Term Loan Agreement as in effect on the date hereof other than pursuant to clauses (m), (p), (s) or (u) (with respect to any termination of a ground lease constituting Collateral or required to become Collateral pursuant to Section 5.15) thereof, and (v) sales, leases or licenses out of other assets for aggregate consideration of less than \$5,000,000 in the aggregate during any fiscal year of Holdings and its Subsidiaries.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

“Augmenting Revolving Lender” has the meaning set forth in Section 2.22(a).

“Augmenting Term Lender” has the meaning set forth in Section 2.22(c).

“Availability” or “Excess Availability” means, at any time, the amount equal to (a) the Revolving Credit Line Cap minus (b) the total Revolving Credit Exposures outstanding at such time.

“Availability Period” means the period from and including the Closing Date to but excluding the earlier of the Maturity Date and the date of termination of the Revolving Commitments.

“Bank of America” means Bank of America, N.A.

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

“Borrowers” means the Parent Borrower, Purchasing and, if eligible to be a Borrower at the time in accordance with Section 2.20, each other Borrowing Subsidiary.

“Borrowing” means a Revolving Borrowing or a Term Loan Borrowing, as the context requires.

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“Borrowing Base” means, at any time, an amount equal to:

- (a) 85% of Eligible Accounts of Borrowers; plus
- (b) 90% of the Eligible Credit Card Receivables of Borrowers; plus
- (c) 90% of the Net Recovery Percentage of Eligible Inventory multiplied by the value of the Eligible Inventory of Borrowers (with value at Cost); minus
- (d) the Term Loan Reserve; minus
- (e) other Reserves established by the Co-Collateral Agents in their Permitted Discretion.

The Borrowing Base shall be determined by reference to the Borrowing Base Certificate most recently delivered to the Administrative Agent pursuant to Section 5.01(g), subject to adjustments and changes made by the Co-Collateral Agents in their Permitted Discretion as provided herein. Notwithstanding anything contained herein to the contrary, as of any date of

determination, the portion of the Borrowing Base attributable to Eligible In-Transit Inventory shall not exceed 5% of the portion of the Borrowing Base attributable to Eligible Inventory. The Parent Borrower shall promptly upon (but in any event within 5 Business Days after) the consummation thereof give the Administrative Agent written notice of any disposition, together with such information as shall be required for the Administrative Agent to adjust the Borrowing Base to reflect such disposition, of (1) a Loan Party or (2) Collateral having a fair market value in excess of (A) \$50,000,000, if at the time of such disposition the Revolving Credit Exposure (not including any LC Exposure) shall not exceed \$50,000,000 and the LC Exposure shall not exceed \$300,000,000, and (B) \$30,000,000, at any other time. To the extent that such Reserve is in respect of amounts that may be payable to third parties the Co-Collateral Agents may, at their option, deduct such Reserve from the amount equal to the Revolving Maximum Credit, at any time that the Revolving Maximum Credit is less than the amount of the Borrowing Base. At any time that the amount of the Borrowing Base (calculated without regard to the Term Loan Reserve) is greater than the sum of the Revolving Maximum Credit and the initial principal amount of the Term Loans as of the Closing Date, the Term Loan Reserve shall be deducted from such aggregate amount, rather than the Borrowing Base. The foregoing shall not limit the ability of the Co-Collateral Agents to establish, change or eliminate any Reserves in their Permitted Discretion.

“Borrowing Base Certificate” means a certificate, signed and certified as accurate and complete by a Financial Officer of the Parent Borrower, in respect of the Borrowing Base pursuant to Section 5.01(g), in the form previously agreed between the Administrative Agent and the Parent Borrower.

“Borrowing Request” means a request by a Borrower for a Revolving Borrowing or a Term Borrowing, in each case in accordance with Section 2.03.

“Borrowing Subsidiary” means Purchasing and any other Subsidiary with respect to which a Subsidiary Borrower Election shall have been executed and delivered as provided in Section 2.20 and with respect to which a Subsidiary Borrower Termination has not been executed and delivered as provided in Section 2.20.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that,

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when used in connection with a Eurodollar Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

“Capital Lease Obligations” of any Person means 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 the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Cash Dominion Period” means the period beginning when (a) Excess Availability shall have been less than the greater of (i) 12.5% of the Revolving Credit Line Cap or (ii) \$175,000,000, in each case, for 2 consecutive Business Days, or (b) a Specified Event of Default shall exist or have occurred and be continuing; provided, that:

(i) to the extent that the Cash Dominion Period has occurred due to clause (a) of this definition, if Excess Availability shall be equal to or greater than the applicable amount for at least 30 consecutive calendar days, the Cash Dominion Period shall no longer be deemed to exist or be continuing until such time as Excess Availability may again be less than the applicable amount specified in clause (a) above for 2 consecutive Business Days, and

(ii) to the extent that the Cash Dominion Period has occurred due to clause (b) of this definition, at any time that such Specified Event of Default is cured or waived or otherwise no longer exists, the Cash Dominion Period shall no longer

be deemed to exist or be continuing until such time as there may be another Cash Dominion Period.

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person other than Holdings or a wholly owned Subsidiary of Holdings of any Equity Interest in the Parent Borrower; (b) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the Closing Date) other than any retirement or savings plan for employees of Holdings and its Subsidiaries, of Equity Interests representing more than 42.5% of either the aggregate ordinary voting power or the aggregate equity value represented by the issued and outstanding Equity Interests in Holdings; (c) occupation of a majority of the seats (other than vacant seats) on the board of directors of Holdings by Persons who were neither (i) nominated by the board of directors of Holdings, or a committee thereof, nor (ii) appointed by directors so nominated; or (d) the occurrence of any “change in control” (or similar event, however denominated), under and as defined in any indenture or other agreement or instrument evidencing, governing the rights of the holders of or otherwise relating to any Material Indebtedness. Notwithstanding the foregoing, the acquisition by a financial institution of Equity Interests in Holdings acquired by such financial institution pursuant to an underwriting arrangement in the ordinary course of its business shall not constitute a “Change in Control”.

“Change in Law” means (a) the adoption of any law, rule or regulation after the Closing Date, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the Closing Date or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 2.14(b), by any lending office of such Lender or by such Lender’s or such Issuing Bank’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the Closing Date; provided, however, that, notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International

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Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Charges” has the meaning assigned to such term in Section 9.13.

“Class”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, Term Loans, Swingline Loans or Protective Advances.

“Closing Date” means June 20, 2014.

“Co-Collateral Agents” means Wells Fargo and Bank of America.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Collateral” means any and all “Collateral”, as defined in the Collateral Agreement.

“Collateral Access Agreement” means any landlord waiver or other agreement, in form and substance reasonably satisfactory to the Administrative Agent, between the Administrative Agent and any third party (including any bailee, consignee, customs broker or other similar Person) in possession of any Collateral or any landlord of any Loan Party for any real property where any Collateral is located.

“Collateral Agreement” means the Guarantee and Collateral Agreement among the Guarantee Parties, the

Additional Grantors and the Administrative Agent, substantially in the form of Exhibit C.

“Collateral and Guarantee Requirement” means the requirement that:

- (a) the Administrative Agent shall have received from each Loan Party either (i) a counterpart of the Collateral Agreement duly executed and delivered on behalf of such Loan Party or (ii) in the case of any Person that becomes a Loan Party after the Closing Date, a supplement to the Collateral Agreement, in substantially the form specified therein, duly executed and delivered on behalf of such Loan Party;
- (b) all documents and instruments, including Uniform Commercial Code financing statements, required by law or reasonably requested by the Administrative Agent to be filed, registered or recorded to create the Liens intended to be created by the Collateral Agreement and perfect such Liens to the extent required by, and with the priority required by, the Collateral Agreement, shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording;
- (c) the Administrative Agent shall have received a counterpart, duly executed and delivered by the applicable Loan Party and the applicable depositary bank or securities intermediary, as the case may be, of a Control Agreement with respect to each Deposit Account maintained by any Loan Party and each Securities Account maintained by any Loan Party, in each case in respect of which a Control Agreement is required by Section 5.16 or by the Collateral Agreement and the requirements of Section 5.16 and the Collateral Agreement relating to the concentration and application of collections on accounts shall have been satisfied; and
- (d) each Loan Party shall have obtained all consents and approvals required to be obtained by it in connection with the execution and delivery of each Security Document, the performance of its obligations thereunder and the granting by it of the Liens thereunder.

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“Collateral Cooperation Agreement” means an agreement between the Administrative Agent and the trustee or the collateral agent (or equivalent agent or representative) for holders of any Permitted First-Lien Indebtedness or Permitted Second-Lien Indebtedness secured by any real property or Intellectual Property, in form and substance reasonably satisfactory to the Administrative Agent and otherwise consistent with the then existing market practice, which provides for, among other things, (a) access rights in favor of the Administrative Agent and the Loan Parties for the benefit of the Secured Parties upon the occurrence and during the continuance of an Event of Default to all locations where Collateral is located and (b) to the extent the representative of such Permitted First-Lien Indebtedness or Permitted Second-Lien Indebtedness, as applicable, has rights to do so, the non-exclusive, royalty free right of the Administrative Agent and the Secured Parties to use the Intellectual Property (as defined in the Collateral Agreement) of the Loan Parties for the purpose of enabling the Administrative Agent to exercise rights and remedies under the Loan Documents with respect to Collateral consisting of Inventory during the continuance of an Event of Default. The execution and delivery by the Administrative Agent of a Collateral Cooperation Agreement shall be conclusive evidence that such Collateral Cooperation Agreement is reasonably satisfactory to the Administrative Agent and otherwise consistent with then existing market practice. Notwithstanding anything to the contrary herein, it is understood and agreed that any joinder to the Existing Intercreditor Agreement executed and delivered by the trustee or the collateral agent (or equivalent agent or representative) for holders of any Permitted First-Lien Indebtedness or Permitted Second-Lien Indebtedness secured by any real property or Intellectual Property, shall be deemed to constitute a “Collateral Cooperation Agreement” that meets each of the requirements of this definition.

“Commitment” means, with respect to each Revolving Lender, the Revolving Commitment of such Revolving Lender or with respect to each Term Lender, the Term Commitment of such Term Lender, as the case may be.

“Commitment Letter” means the Commitment Letter, dated as of May 14, 2014, among the Lead Arrangers, certain of their Affiliates and the Parent Borrower.

“Commitment Parties” means the Lead Arrangers (each as identified on the cover page of this Agreement) and their Affiliates that are Lenders.

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

“Concentration Account” has the meaning set forth in Section 5.16(c).

“Consenting Lender” has the meaning set forth in Section 2.23(b).

“Consolidated Adjusted EBITDA” means, for any period, Consolidated Net Income for such period (disregarding any non-cash charges or credits related to any Plan, any non-qualified supplemental pension plan maintained, sponsored or contributed to by Holdings or any ERISA Affiliate, or any Multiemployer Plan) plus: (a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of: (i) consolidated interest expense for such period, plus (ii) consolidated financing costs associated with securitization programs for such period, plus (iii) consolidated income tax expense for such period, plus (iv) all amounts attributable to depreciation and amortization for such period, plus (v) any extraordinary, unusual or non-recurring charges for such period, plus (vi) any fees, expenses or charges related to any equity offering, permitted acquisition or other investment, Asset Sale or other disposition, or incurrence or refinancing of (or amendment or other modification to the documents evidencing any) Indebtedness (in each case, whether or not successful or consummated) permitted to be made or incurred hereunder, including fees, expenses or charges relating to the Restructuring Transactions, plus (vii) any premium, make-whole or penalty payments that are

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required to be made in connection with any prepayment of Indebtedness, plus (viii) any non-cash charges for such period; provided that in the event Holdings or any Subsidiary makes any cash payment in respect of any such non-cash charge, such cash payment shall be deducted from Consolidated Adjusted EBITDA in the period in which such payment is made, plus (ix) the amount of cash restructuring charges and curtailments and modifications to pension and post-retirement employee benefit plans incurred during such period; and minus: (b) without duplication and to the extent included in determining such Consolidated Net Income, the sum of: (i) any extraordinary, unusual or non-recurring gains for such period, plus (ii) non-cash gains for such period, plus (iii) any gains resulting from repurchases of loans under the Existing Term Loan Agreement pursuant to Section 10.6(i) thereof as in effect on the date hereof; all determined on a consolidated basis in accordance with GAAP.

“Consolidated Capital Expenditures” means, for any period, with respect to Holdings, the aggregate of all expenditures by Holdings and its consolidated Subsidiaries for the acquisition or leasing (pursuant to Capital Lease Obligations) of fixed or capital assets or additions to equipment (including replacements, capitalized repairs and improvements during such period) that are required to be capitalized under GAAP on a consolidated balance sheet of Holdings and its consolidated Subsidiaries; provided, that, Consolidated Capital Expenditures for Holdings and its consolidated Subsidiaries shall not include: (a) expenditures to the extent they are made with proceeds of the issuance of Equity Interests of Holdings, (b) expenditures with proceeds of insurance settlements, condemnation awards, eminent domain and other settlements in respect of lost (including through eminent domain), destroyed, damaged or condemned assets, equipment or other property, (c) interest capitalized during such period to the extent included in Consolidated Cash Interest Expense, (d) expenditures that are accounted for as capital expenditures of Holdings or any consolidated Subsidiary and that actually are (i) paid for by a third party (excluding Holdings or any consolidated Subsidiary thereof) and for which neither Holdings nor any Subsidiary has provided or is required to provide or incur, directly or indirectly, any consideration or obligation to such third party or any other Person (whether before, during or after such period) or (ii) contractually required to be, and are, reimbursed to the Loan Parties in cash by a third party (including landlords) during such period, (e) the book value of any asset owned by Holdings or any of its consolidated Subsidiaries prior to or during such period to the extent that such book value is included as a capital expenditure during such period as a result of Holdings or such consolidated Subsidiary reusing or beginning to reuse such asset during such period without a corresponding expenditure actually having been made in such period, (f) the purchase price of equipment purchased during such period to the extent the consideration