

TRANSFER AND ADMINISTRATION AGREEMENT

Dated as of November 29, 2016

by and among

LEX CAPITAL LLC,

VALVOLINE LLC,

and each other entity from time to time party hereto
as an Originator, as Originators,

VALVOLINE LLC,

as initial Master Servicer,

PNC BANK, NATIONAL ASSOCIATION,

as the Agent, a Letter of Credit Issuer, a Managing Agent and
a Committed Investor,

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH
as a Managing Agent, an Administrator and a Committed Investor,

GOTHAM FUNDING CORPORATION,

as a Conduit Investor and an Uncommitted Investor,

PNC CAPITAL MARKETS, LLC,

as Structuring Agent,

and

**THE VARIOUS INVESTOR GROUPS, MANAGING AGENTS, LETTER OF CREDIT ISSUERS AND
ADMINISTRATORS FROM TIME TO TIME PARTIES HERETO**

Table of Contents

	Page
ARTICLE I	DEFINITIONS
SECTION 1.1	Certain Defined Terms
SECTION 1.2	Other Terms
SECTION 1.3	Computation of Time Periods
SECTION 1.4	Times of Day
SECTION 1.5	Letter of Credit Amounts
SECTION 1.6	Knowledge
ARTICLE II	PURCHASES AND SETTLEMENTS
SECTION 2.1	Transfer of Affected Assets; Intended Characterization
SECTION 2.2	Purchase Price
SECTION 2.3	Investment Procedures
SECTION 2.4	[Reserved and Specified in Schedule I]
SECTION 2.5	Yield, Fees and Other Costs and Expenses
SECTION 2.6	Deemed Collections
SECTION 2.7	Payments and Computations, Etc.
SECTION 2.8	Reports
SECTION 2.9	Accounts
SECTION 2.10	Sharing of Payments, Etc.
SECTION 2.11	Right of Setoff
SECTION 2.12	[Reserved and Specified in Schedule III]
SECTION 2.13	[Reserved and Specified in Schedule III]
SECTION 2.14	[Reserved and Specified in Schedule III]
SECTION 2.15	[Reserved and Specified in Schedule III]
SECTION 2.16	Reduction of Facility Limit
SECTION 2.17	Letters of Credit
ARTICLE III	ADDITIONAL COMMITTED INVESTOR PROVISIONS
SECTION 3.1	Assignment to Committed Investors
SECTION 3.2	Downgrade of Committed Investor
SECTION 3.3	Non-Renewing Committed Investors
SECTION 3.4	Replacement of Investor Group

Table of Contents
(continued)

	Page
ARTICLE IV REPRESENTATIONS AND WARRANTIES	51
SECTION 4.1 Representations and Warranties of the SPV and the Initial Master Servicer	51
ARTICLE V CONDITIONS PRECEDENT	58
SECTION 5.1 Conditions Precedent to Closing	58
SECTION 5.2 Conditions Precedent to All Investments, Reinvestments and Letters of Credit	59
ARTICLE VI COVENANTS	60
SECTION 6.1 Affirmative Covenants of the SPV and Master Servicer	60
SECTION 6.2 Negative Covenants of the SPV and Master Servicer	66
SECTION 6.3 Affirmative Covenant of Parent; Deemed Financial Covenants	68
ARTICLE VII ADMINISTRATION AND COLLECTIONS	69
SECTION 7.1 Appointment of Master Servicer	69
SECTION 7.2 Duties of Master Servicer	70
SECTION 7.3 Blocked Account Arrangements	71
SECTION 7.4 Enforcement Rights	71
SECTION 7.5 Master Servicer Default	72
SECTION 7.6 Servicing Fee	74
SECTION 7.7 Protection of Ownership Interest of the Investors	74
ARTICLE VIII TERMINATION EVENTS	74
SECTION 8.1 Termination Events	74
SECTION 8.2 Termination	77
ARTICLE IX INDEMNIFICATION; EXPENSES; RELATED MATTERS	77
SECTION 9.1 Indemnities by the SPV	77
SECTION 9.2 Indemnities by the Master Servicer	79
SECTION 9.3 Indemnity for Taxes, Reserves and Expenses	81
SECTION 9.4 Taxes	84
SECTION 9.5 Other Costs and Expenses; Breakage Costs	86
ARTICLE X THE AGENT; STRUCTURING AGENT	87
SECTION 10.1 Appointment and Authorization of Agent	87
SECTION 10.2 Delegation of Duties	87

Table of Contents
(continued)

	Page
SECTION 10.3 Liability of Agents and Managing Agents	87
SECTION 10.4 Reliance by Agent	88
SECTION 10.5 Notice of Termination Event, Potential Termination Event or Master Servicer Default	88
SECTION 10.6 Credit Decision; Disclosure of Information by the Agent	89
SECTION 10.7 Indemnification of the Agent	89
SECTION 10.8 Agent in Individual Capacity	90
SECTION 10.9 Resignation of Agents	90
SECTION 10.10 Payments by the Agent	90
SECTION 10.11 Structuring Agent	90
ARTICLE XI MISCELLANEOUS	91
SECTION 11.1 Term of Agreement	91
SECTION 11.2 Waivers; Amendments	91
SECTION 11.3 Notices; Payment Information	92
SECTION 11.4 Governing Law; Submission to Jurisdiction; Appointment of Service Agent	92
SECTION 11.5 Integration	93
SECTION 11.6 Severability of Provisions	93
SECTION 11.7 Counterparts; Electronic Delivery	93
SECTION 11.8 Successors and Assigns; Binding Effect	93
SECTION 11.9 Waiver of Confidentiality	97
SECTION 11.10 Confidentiality Agreement	97
SECTION 11.11 Conduit Investor Provisions	98
SECTION 11.12 No Recourse	98
SECTION 11.13 No Proceedings; Limitations on Payments	98

Schedules

- Schedule I Yield and Rate Periods
- Schedule II Calculation of Required Reserves
- Schedule III Settlement Procedures
- Schedule 4.1(d) Perfection Representations, Warranties and Covenants
- Schedule 4.1(g) List of Actions and Suits
- Schedule 4.1(i) Location of Certain Offices and Records
- Schedule 4.1(j) List of Subsidiaries, Divisions and Tradenames; FEIN
- Schedule 4.1(r) List of Blocked Account Banks and Blocked Accounts
- Schedule 5.1 Closing Checklist
- Schedule 6.1(a) Agreed-Upon Procedures
- Schedule 11.3 Address and Payment Information

Exhibits

- Exhibit A Form of Assignment and Assumption Agreement
- Exhibit B Credit and Collection Policies and Practices
- Exhibit C Form of Investment Request
- Exhibit D Form of L/C Request
- Exhibit E Form of Originator Joinder Agreement
- Exhibit F Form of Master Servicer Report
- Exhibit G Form of SPV Secretary's Certificate
- Exhibit H Forms of Originator/Master Servicer Secretary's Certificate
- Exhibit I Form of Letter of Credit
- Exhibit J Form of Optional Reduction Notice

This **TRANSFER AND ADMINISTRATION AGREEMENT** (this "Agreement"), dated as of November 29, 2016, by and among:

- (1) **LEX CAPITAL LLC**, a Delaware limited liability company (the "SPV");
- (2) **VALVOLINE LLC**, a Delaware limited liability company ("Valvoline LLC"), and each other entity from time to time party hereto as an "Originator" pursuant to a joinder agreement substantially in the form of Exhibit E hereto (each, an "Originator" and collectively, the "Originators");
- (3) **VALVOLINE LLC**, as initial Master Servicer;
- (4) **PNC BANK, NATIONAL ASSOCIATION** ("PNC"), as the Agent, a Letter of Credit Issuer, a Managing Agent and a Committed Investor;
- (5) **THE BANK OF TOKYO-MITSUBISHI UFJ, LTD., NEW YORK BRANCH** ("MUFG"), as a Managing Agent, an Administrator and a Committed Investor;
- (6) **GOTHAM FUNDING CORPORATION**, a Delaware corporation ("Gotham"), as a Conduit Investor and an Uncommitted Investor;
- (7) the various Investor Groups, Managing Agents, Letter of Credit Issuers and Administrators from time to time parties hereto; and
- (8) **PNC CAPITAL MARKETS LLC**, a Pennsylvania limited liability company, as the Structuring Agent.

ARTICLE I

DEFINITIONS

SECTION 1.1 Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Administrators" means the Gotham Administrator and any other Person that becomes a party to this Agreement as an "Administrator".

"Adverse Claim" means a Lien on any Person's assets or properties in favor of any other Person; *provided* that "Adverse Claim" shall not include any "precautionary" financing statement filed by any Person not evidencing any such Lien.

"Affected Assets" means, collectively, (a) the Receivables, (b) the Related Security, (c) with respect to any Receivable, all rights and remedies of the SPV under the First Tier Agreement, together with all financing statements filed by the SPV against the Originators in connection therewith, and (d) all proceeds of the foregoing.

"Affiliate" means, as to any Person, any other Person which, directly or indirectly, owns, is in control of, is controlled by, or is under common control with such Person, in each case

whether beneficially, or as a trustee, guardian or other fiduciary. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the other Person, whether through the ownership of voting securities or membership interests, by contract, or otherwise.

"Agent" means PNC, in its capacity as agent for the Secured Parties, and any successor thereto appointed pursuant to Article X.

"Agents" means, collectively, the Managing Agents and the Agent.

"Agent-Related Persons" means, with respect to any Managing Agent or the Agent, such Person together with its Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and their respective Affiliates.

"Aggregate Unpaid Balance" means, as of any date of determination, the sum of the Unpaid Balances of all Receivables which constitute Eligible Receivables as of such date of determination.

"Aggregate Unpays" means, at any time, an amount equal to the sum of (a) the aggregate unpaid Yield accrued and to accrue through the end of all Rate Periods (or calendar month for Portions of Investment with daily Rate Periods) in existence at such time, (b) the Net Investment at such time and (c) all other amounts owed (whether or not then due and payable) hereunder and under the other Transaction Documents by the SPV and each Originator to the Agent, the Managing Agents, the Administrators, the Investors or the Indemnified Parties at such time.

"Agreement" is defined in the Preamble.

"Alternate Rate" is defined in Section 2.4.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the SPV, the initial Master Servicer, any Originator or any of their respective Subsidiaries from time to time concerning or relating to bribery or corruption, including the Foreign Corrupt Practices Act of 1977, and any applicable law or regulation implementing the Organisation for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

"Anti-Terrorism Laws" has the meaning set forth in Section 4.1(bb).

"Applicable Special Designated Obligor Percentage" means initially (i) for Genuine Parts Company (d/b/a NAPA), 15.0%, (ii) for AutoZone, Inc., 15.0%, (iii) Advance Auto Parts, Inc., 10.0%, and (iv) for each other Special Designated Obligor, the applicable percentage designated in a written supplement to this Agreement signed by the Agent, each Managing Agent, the Master Servicer and the SPV, each in their sole discretion, by which such Special Designated Obligor is so designated, in each case, as such percentage is modified from time to time pursuant to the terms of this Agreement.

"Ashland Global" means Ashland Global Holdings Inc., a Delaware corporation.

"Asset Interest" is defined in **Section 2.1(b)**.

"Assignment Amount" means, with respect to a Committed Investor at the time of any assignment pursuant to **Section 3.1**, an amount equal to the least of (a) such Committed Investor's Pro Rata Share of the Net Investment requested by the Uncommitted Investor in its Investor Group to be assigned at such time; (b) such Committed Investor's unused Commitment (minus the sum of (i) the unrecovered principal amount of such Committed Investor's investments in the Asset Interest pursuant to the Program Support Agreement to which it is a party and (ii) such Committed Investor's Pro Rata Share of the applicable Investor Group Percentage of the Letter of Credit Liability); and (c) in the case of an assignment on or after the applicable Conduit Investment Termination Date, an amount equal to (A) the sum of such Committed Investor's Pro Rata Share of the Investor Group Percentage of (i) the aggregate Unpaid Balance of the Receivables (other than Defaulted Receivables), plus (ii) all Collections received by the Master Servicer but not yet remitted by the Master Servicer to the Investors, plus (iii) any amounts in respect of Deemed Collections required to be paid by the SPV at such time minus (B) such Committed Investor's Pro Rata Share of the applicable Investor Group Percentage of the Letter of Credit Liability.

"Assignment and Assumption Agreement" means an Assignment and Assumption Agreement substantially in the form of **Exhibit A**.

"Assignment Date" is defined in **Section 3.1(a)**.

"Assignment of Claims Acts" means the provisions of United States Code, 31 U.S.C. § 3727 and 41 U.S.C. § 15, and any similar Laws of any other jurisdiction.

"Attributable Indebtedness" means, on any date, but without duplication, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease and (c) all Synthetic Debt of such Person.

"Auto-Extension Letter of Credit" is defined in **Section 2.17(b)(iii)**.

"Available Commitment" means, as of any date of determination, the lesser of (a) the Maximum Commitment and (b) the Net Pool Balance less the Required Reserves.

"Bankruptcy Code" means the Bankruptcy Reform Act of 1978, 11 U.S.C. §§ 101 et seq.

"Base Rate" is defined in **Section 2.4**.

"Blocked Account" means an account and any associated lock-box maintained by the SPV at a Blocked Account Bank for the purpose of receiving Collections (other than Collections on Foreign Currency Receivables), set forth in **Schedule 4.1(r)**, or any account added as a Blocked Account pursuant to and in accordance with **Section 4.1(r)**, and which, if not maintained at and in the name of the Agent, is subject to a Blocked Account Agreement.

"Blocked Account Agreement" means a deposit account control agreement among the SPV, the Agent and a Blocked Account Bank, in form and substance reasonably acceptable to the Agent, including any amendments thereto.

"Blocked Account Bank" means each of the banks set forth in Schedule 4.1(r), as such Schedule 4.1(r) may be modified pursuant to Section 4.1(r).

"Business Day" means any day excluding Saturday, Sunday, any day on which banks in New York, New York or Pittsburgh, Pennsylvania, are authorized or required by law to close and any day in which the United States bond markets are authorized or required by law to close, and, when used with respect to the determination of any Offshore Rate or any notice with respect thereto, any such day which is also a day for trading by and between banks in United States dollar deposits in the London interbank market.

"Canadian Obligor" means an Obligor that (i) is not a U.S. Obligor and (ii) is organized in, or has a head office (domicile), registered office and chief executive office located in, Canada.

"Capitalized Lease" of a Person means any lease of property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with GAAP.

"Cash Collateralize" means to pledge and deposit with or deliver to the Agent, for the benefit of the Letter of Credit Issuers and the Investors, as collateral for the Letter of Credit Liability or obligations of Committed Investors to fund participations in respect of Letters of Credit, cash or deposit account balances in Dollars pursuant to documentation in form and substance satisfactory to Agent and the Letter of Credit Issuers. Derivatives of such term have corresponding meanings.

"Change of Control" means:

- (a) the failure of Valvoline LLC to own, free and clear of any Adverse Claim and on a fully diluted basis, 100% of the membership interests of the SPV;
- (b) the failure of Valvoline US LLC to own, directly or indirectly, free and clear of any Adverse Claim (other than the Liens granted to secure obligations under the Parent Credit Agreement) and on a fully diluted basis, at least 100% of the outstanding shares of voting stock or other equity interests of Valvoline LLC and each other Originator;
- (c) the failure of Parent to own, directly or indirectly, free and clear of any Adverse Claim (other than the Liens granted to secure obligations under the Parent Credit Agreement) and on a fully diluted basis, at least 100% of the outstanding shares of voting stock or other equity interests of Valvoline US LLC; or

(d) an event or series of events by which:

- (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) (other than Ashland Global or any of its wholly-owned Subsidiaries) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of 35% or more of the equity securities of the Parent entitled to vote for members of the board of directors or equivalent governing body of the Parent on a fully-diluted basis (and taking into account all such securities that such "person" or "group" has the right to acquire pursuant to any option right); or
- (ii) (a) prior to the consummation of the Valvoline Spin-off, during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of Ashland Global cease to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (a)(x) and (a)(y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (b) following the consummation of the Valvoline Spin-off, during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Parent cease to be composed of individuals (x) who were members of that board or equivalent governing body on the first day of such period, (y) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (x) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (z) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (b)(x) and (b)(y) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; or
- (iii) a "change of control" or any comparable term under, and as defined in, the Parent Credit Agreement or other Indebtedness exceeding \$100,000,000 shall have occurred.

"Charged-Off Receivable" means a Receivable (a) as to which the Obligor thereof has become the subject of any Event of Bankruptcy, (b) which has been identified by the SPV, any Originator or the Master Servicer as uncollectible, or (c) which, consistent with the Credit and Collection Policy, would be written off as uncollectible.

"Closing Date" means November 29, 2016.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor thereto.

"Collections" means, with respect to any Receivable, all cash collections and other cash proceeds of such Receivable, including (i) all scheduled interest and principal payments, and any applicable late fees, in any such case, received and collected on such Receivable, (ii) all proceeds received by virtue of the liquidation of such Receivable, net of expenses incurred in connection with such liquidation, (iii) all proceeds received (net of any such proceeds which are required by law to be paid to the applicable Obligor) under any damage, casualty or other insurance policy with respect to such Receivable, (iv) all cash proceeds of the Related Security related to or otherwise attributable to such Receivable, and (v) all Deemed Collections, Repurchase Price amounts and other payments received with respect to such Receivable, but, for the avoidance of doubt, excluding any Excluded Amounts.

"Commercial Paper" means the promissory notes issued or to be issued by a Conduit Investor (or its related commercial paper issuer if such Conduit Investor does not itself issue commercial paper) in the commercial paper market.

"Commitment" means, with respect to each Committed Investor, as the context requires, (a) the commitment of such Committed Investor to make Investments (including Investments funding the reimbursement of each Letter of Credit Issuer for draws on its Letters of Credit) and to pay Assignment Amounts in accordance herewith in an amount not to exceed the amount described in the following clause (b), and (b) the dollar amount set forth opposite such Committed Investor's signature on the signature pages hereof under the heading "Commitment" (or, in the case of a Committed Investor which becomes a party hereto pursuant to an Assignment and Assumption Agreement, as set forth in such Assignment and Assumption Agreement), minus the dollar amount of any Commitment or portion thereof assigned by such Committed Investor pursuant to an Assignment and Assumption Agreement, plus the dollar amount of any increase to such Committed Investor's Commitment consented to by such Committed Investor prior to the time of determination; *provided* that if the Facility Limit is reduced, the aggregate of the Commitments of all the Committed Investors shall be reduced in a like amount and the Commitment of each Committed Investor shall be reduced in proportion to such reduction.

"Commitment Fee" is defined in the Master Fee Letter.

"Commitment Termination Date" means November 27, 2017, or such later date to which the Commitment Termination Date may be extended by the SPV, the Agent and the Committed Investors (in their sole discretion).

"Committed Investors" means (a) for the PNC Investor Group, the PNC Committed Investors, (b) for the MUFG Investor Group, the Gotham Committed Investors, and (c) for any other Investor Group, each of the Persons executing this Agreement in the capacity of a "Committed Investor" for such Investor Group in accordance with the terms of this Agreement, and, in each case, successors and permitted assigns.

"Concentration Limits" shall, at any time, be deemed exceeded:

- (a) with respect to each Special Designated Obligor, if the aggregate Unpaid Balance of all Eligible Receivables relating to such Special Designated Obligor (together with its subsidiaries and Affiliates), exceeds the Applicable Special Designated Obligor Percentage of the Aggregate Unpaid Balance at such time;
- (b) with respect to each Obligor other than a Special Designated Obligor, if the aggregate Unpaid Balance of all Eligible Receivables relating to such Obligor (and any other Obligor(s) aggregated with it for such purpose pursuant to the rules of construction set forth in the definitions of Group A, B and C Obligor below, respectively), exceeds the applicable percentage of the Aggregate Unpaid Balance specified below;

Group	Concentration Limit Percentage
Group A Obligor	20.0%
Group B Obligor	10.0%
Group C Obligor	6.67%
Group D Obligor	5.0%

- (c) if the aggregate Unpaid Balance of all Extended Term Receivables 61-90 exceeds 50.0% of the Aggregate Unpaid Balance at such time;
- (d) if the aggregate Unpaid Balance of all Extended Term Receivables 91-195 exceeds 35.0% of the Aggregate Unpaid Balance at such time;
- (e) if the aggregate Unpaid Balance of all Eligible Receivables, the Obligors of which are Official Bodies, exceeds 1.0% of the Aggregate Unpaid Balance at such time;
- (f) if the aggregate Unpaid Balance of all Eligible Receivables, the Obligors of which are Eligible Foreign Obligors, exceeds 1.0% of the Aggregate Unpaid Balance at such time;
- (g) if the aggregate Unpaid Balance of all Eligible Receivables, the Obligors of which are Canadian Obligors, exceeds 3.0% of the Aggregate Unpaid Balance at such time; or
- (h) if the aggregate Unpaid Balance of all Eligible Receivables for which the related merchandise has been shipped, but has not yet been delivered, to the related Obligor exceeds 3.0% of the Aggregate Unpaid Balance at such time.

"Conduit Assignee" means, with respect to any Conduit Investor, any special purpose entity that finances its activities directly or indirectly through asset backed commercial paper and is administered by a Managing Agent or any of its Affiliates and designated by such Conduit Investor's Managing Agent from time to time to accept an assignment from such Conduit Investor of all or a portion of the Net Investment.

"Conduit Investment Termination Date" means, with respect to any Conduit Investor, the date of the delivery by such Conduit Investor to the SPV of written notice that such Conduit Investor elects, in its sole discretion, to permanently cease to fund Investments hereunder.

"Conduit Investor" means Gotham and any other Person that shall become a party to this Agreement in the capacity as a "Conduit Investor" and any Conduit Assignee of any of the foregoing.

"Contract" means, in relation to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes, or other writings pursuant to which such Receivable arises or which evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

"CP Rate" is defined in Section 2.4.

"Credit and Collection Policy" means Valvoline LLC's credit and collection policy or policies and practices relating to Receivables as in effect on the Closing Date and set forth in Exhibit B, as modified, from time to time, in compliance with Sections 6.1(a)(vii) and 6.2(c).

"CRR" means Regulation (EU) No. 575/2013 of the European Parliament and the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, together with the related implementing technical standards and regulatory technical standards and any related regulatory guidance published by the European Banking Authority and adopted by the European Commission.

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

"Deemed Collections" means any Collections on any Receivable deemed to have been received pursuant to Sections 2.6.

"Deemed Financial Covenants" means any one of the "financial covenants" set forth in Section 7.11 of the Parent Credit Agreement (or any replacement or successor to such Section or any similar section or sections in any replacement senior credit agreement) as in effect immediately prior to the initial occurrence of any Committed Investor and each of its Affiliates, if applicable, ceasing to be a party to the Parent Credit Agreement as a lender thereunder.

"Default Rate" means a per annum rate equal to the sum of (a) the Base Rate plus (b) 2.00%.

"Defaulted Receivable" means a Receivable as to which any payment, or part thereof, remains unpaid for 61 days or more from the original due date for such payment.

"Deferred Purchase Price" is defined in the First Tier Agreement.

"Disqualified Equity Interests" has the meaning assigned to such term in the Parent Credit Agreement.

"Dollar" or **"\$"** means the lawful currency of the United States.

"Downgrade Collateral Account" is defined in Section 3.2(a).

"Downgrade Draw" is defined in Section 3.2(a).

"Eligible Foreign Obligor" means an Obligor that (i) is neither a U.S. Obligor nor a Canadian Obligor nor an Official Body and (ii) is organized in, or has a head office (domicile), registered office and chief executive office located in, a country that is reasonably acceptable to the Agent.

"Eligible Investments" means any of the following investments denominated and payable solely in Dollars: (a) readily marketable debt securities issued by, or the full and timely payment of which is guaranteed by the full faith and credit of, the federal government of the United States, (b) insured demand deposits, time deposits and certificates of deposit of any commercial bank rated "A-1" by S&P, "P-1" by Moody's and "A-1" by Fitch (if rated by Fitch), (c) no load money market funds rated in the highest ratings category by each of the rating agencies (without the "r" symbol attached to any such rating by S&P), and (d) commercial paper of any corporation incorporated under the laws of the United States or any political subdivision thereof, *provided* that such commercial paper is rated "A-1" by S&P, "P-1" by Moody's and "A-1" by Fitch (if rated by Fitch) (without the "r" symbol attached to any such rating by S&P).

"Eligible Receivable" means, at any time, any Receivable:

(a) which was originated by an Originator in the ordinary course of its business in accordance with its Credit and Collection Policy;

(b) (i) with respect to which each of the applicable Originator and the SPV has performed all obligations required to be performed by it thereunder or under any related Contract, including shipment of the merchandise and/or the performance of the services purchased thereunder, but excluding the applicable Originator's obligation to deliver the related merchandise to the Obligor's destination if such Originator has shipped the related merchandise to such Obligor; provided, however, that if the related merchandise has not been delivered to the Obligor by the thirtieth (30th) day following such shipment, such Receivable shall not constitute an Eligible Receivable; (ii) which has been billed to the relevant Obligor; and (iii) which, according to the Contract related thereto, is required to be paid in full within (x) if such Obligor is one of the Obligors listed on Schedule 1.1, the applicable time period appearing opposite the name of such Obligor on such Schedule 1.1 (it being understood and agreed that such Schedule 1.1 may be amended, supplemented or otherwise modified from time to time by mutual written

agreement of the Agent, each Managing Agent, the Master Servicer and the SPV, each acting in its sole discretion), or (y) if such Obligor is any other Person, 90 days of the original billing date therefor;

- (c) which satisfies all applicable requirements of the Credit and Collection Policy;
- (d) which has been sold or contributed to the SPV pursuant to (and in accordance with) the First Tier Agreement and to which the SPV has good and marketable title, free and clear of all Adverse Claims;
- (e) the Obligor of which (i) is not a natural person, (ii) is not an Affiliate of any of the parties hereto, (iii) if such Obligor is an Official Body, is both a U.S. Obligor and a state or municipal (rather than federal) Official Body, and (iv) is a U.S. Obligor, a Canadian Obligor or an Eligible Foreign Obligor; *provided*, that to the extent the Obligor of such Receivable is an Official Body, the SPV, the Master Servicer and the Originators shall not be required to comply with any Assignment of Claims Act;
- (f) the Obligor of which has been directed to make all payments to a Blocked Account;
- (g) which is assignable without the consent of, or notice to, the Obligor thereunder unless such consent has been obtained and is in effect or such notice has been given;
- (h) which, together with the related Contract, is in full force and effect and constitutes the legal, valid and binding obligation of the related Obligor enforceable against such Obligor in accordance with its terms and is not subject to any asserted litigation, dispute, offset, holdback, counterclaim or other defense; *provided* that with respect to offsets and holdbacks only the portion of such Receivable that is the subject of such offset or holdback shall be deemed to be ineligible pursuant to the terms of this clause (h);
- (i) which is denominated in Dollars and payable only in Dollars in the United States or Canada;
- (j) which is not a Defaulted Receivable;
- (k) which is not a Charged-Off Receivable;
- (l) which has not been compromised, adjusted or modified (including by the extension of time for payment or the granting of any discounts, allowances or credits); *provided* that only such portion of such Receivable that is the subject of such compromise, adjustment or modification shall be deemed to be ineligible pursuant to the terms of this clause (l);
- (m) which is an “account” within the meaning of Article 9 of the UCC of all applicable jurisdictions and is not evidenced by instruments or chattel paper;

(n) which, together with the Contract related thereto, does not contravene in any material respect any Laws applicable thereto (including Laws relating to truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy);

(o) the assignment of which under the First Tier Agreement by the applicable Originator to the SPV and hereunder by the SPV to the Agent does not violate, conflict or contravene any applicable Law or any enforceable contractual or other restriction, limitation or encumbrance unless such consent has been obtained and is in effect;

(p) which (together with the Related Security related thereto) has been the subject of either a valid transfer and assignment from, or the grant of a first priority perfected security interest therein by, the SPV to the Agent, on behalf of the Investors, of all of the SPV's right, title and interest therein, effective until the Final Payout Date (unless repurchased by the SPV at an earlier date pursuant to this Agreement);

(q) not more than 35.0% of the Receivables owed by the Obligor of which are Defaulted Receivables at the time of such Receivable's purchase by the SPV;

(r) such Receivable does not meet the criteria set forth in the First Tier Agreement's definition of "Retained Receivable"; and

(s) the Obligor of which is not a Sanctioned Person.

Notwithstanding the foregoing, Offset Payables shall be excluded from Eligible Receivables and any calculations with respect thereto in all respects at any time.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination; provided that Equity Interests shall not include any securities to the extent constituting “Indebtedness” for purposes of this Agreement.

“ERISA” means the U.S. Employee Retirement Income Security Act of 1974 and any regulations promulgated and rulings issued thereunder.

“ERISA Affiliate” means, with respect to any Person, any corporation, partnership, trust, sole proprietorship or trade or business which, together with such Person, is treated as a single employer under Section 414(b) or (c) of the Code or, with respect to any liability for contributions under Section 302(c) of ERISA, Section 414(m) or Section 414(o) of the Code.

"Event of Bankruptcy" means, with respect to any Person, (a) that such Person becomes unable or admits in writing its inability or fails generally to pay its debts as they become due; (b) that any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; (c) that such Person institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors, or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or (d) that any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) calendar days; or (e) that any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding.

"Excluded Amounts" is defined in Section 4.1(r).

"Excluded Taxes" means, with respect to the Agent, any Investor, or any other recipient of any payment to be made by or on account of any obligation of the SPV, Originator or the Master Servicer hereunder, (a) income, franchise or similar taxes imposed on (or measured by) all or part of its net income by the United States of America or any State or political subdivision thereof, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or through which it makes any Investment, provides a Letter of Credit or draw on a Letter of Credit, or receives any payment hereunder, or by any political subdivision of any of the foregoing jurisdictions, (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction described in clause (a) above, (c) any withholding tax that is imposed on amounts payable to such recipient at the time such recipient designates a new office through which it makes any Investment, provides a Letter of Credit or draw on a Letter of Credit), except to the extent that such recipient (or its assignor, if any) was entitled, at the time of designation of such new office (or assignment), to receive additional amounts from the SPV, the Originator or the Master Servicer with respect to such withholding tax pursuant to Section 9.4(a), (d) any withholding tax that is attributable to the recipient's failure to comply with Section 9.4(b), (e) any backup withholding tax (within the meaning of Section 3406 of the Code), (f) any tax or other charge imposed by any jurisdiction solely as a result of one or more present or former connections between the Agent, the relevant Investor, the relevant Letter of Credit Issuer, or any other relevant recipient and such jurisdiction (other than any such connections arising solely from any such person's having executed, delivered or performed its obligations or received a payment under, or enforced, any of the Transaction Documents, (g) any withholding tax that is imposed on amounts payable to a recipient due to the fact that such recipient owns (actually or constructively) ten percent or more of the total combined voting power of all classes of equity interests of the SPV or any Originator or of the stock of any affiliate of the SPV or any Originator and (h) any withholding tax imposed by a member state of the European Union on a payment made on an obligation presented for payment by or on behalf of a recipient of such payment who would have been able to avoid such withholding by presenting the obligation for payment in another member state of the European Union without any undue expense or hardship on the recipient and (i) any United States federal withholding Taxes imposed under FATCA.

“Extended Term Receivables 61-90” means all Eligible Receivables with maturities greater than 60 days but not more than 90 days.

“Extended Term Receivables 91-195” means all Eligible Receivables with maturities greater than 90 days but not more than 195 days.

“Facility Limit” means at any time the lesser of (i) \$125,000,000 and (ii) the aggregate Commitments then in effect, as reduced in accordance with Section 2.16.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof.

“Federal Funds Rate” is defined in Section 2.4.

“Fee Letter” means either the Master Fee Letter, any Upfront Fee Letter or any L/C Fee Letter, and “Fee Letters” means, collectively, the Master Fee Letter, all such Upfront Fee Letters and all such L/C Fee Letters.

“Final Payout Date” means the date, after the Termination Date, on which the Net Investment has been reduced to zero, all accrued Servicing Fees have been paid in full and all other Aggregate Unpays have been paid in full in cash.

“Financial Covenant” means any one of the “financial covenants” set forth in Section 7.11 of the Parent Credit Agreement (or any replacement or successor to such Section or any similar section or sections in any replacement senior credit agreement) at such time.

“Financial Covenant Amendment” is defined in Section 6.3.

“Financial Covenant Grace Period” is defined in Section 7.5(f).

“First Tier Agreement” means the Sale Agreement, dated as of the Closing Date, among the Originators and the SPV.

“Foreign Currency Receivable” means a Foreign Receivable denominated in a currency other than Dollars.

“Foreign Receivable” means any Receivable, the Obligor of which is not a U.S. Obligor.

“Fronting Exposure” means, at any time there is a new Committed Investor that has joined this Agreement via a joinder pursuant to Section 3.4(d) or an assignment pursuant to Section 11.8(b), with respect to the Letter of Credit Issuers, such new Committed Investor’s pro rata share of the outstanding amount of the Letter of Credit Liability.

“GAAP” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such accounting profession, in effect from time to time.

"Gotham" is defined in the Preamble.

"Gotham Administrator" means MUFG or an Affiliate thereof, as administrator for Gotham, or MUFG or an Affiliate thereof, as administrator for any Conduit Assignee of Gotham.

"Gotham Committed Investor" means each financial institution party to this Agreement as a Gotham Committed Investor.

"Group A Obligor" means any Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) with a short-term rating of at least: (a) "A-1" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of "A+" or better by S&P on such Obligor's, its parent's, or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, or (b) "P-1" by Moody's, or if such Obligor does not have a short-term rating from Moody's, "A1" or better by Moody's on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; provided, that if an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by both S&P and Moody's and such ratings are not equivalent, such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) shall be deemed to have the lower of such ratings for the purposes of this definition. Notwithstanding the foregoing, any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group A Obligor" shall be deemed to be a Group A Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage," "Obligor Percentage" and "Concentration Limits" pursuant to clause (b) of the definition thereof for such Obligors, unless such deemed Obligor is separately rated by S&P or Moody's and separately satisfies the definition of "Group A Obligor," "Group B Obligor," "Group C Obligor" or "Group D Obligor," in which case, such Obligor shall be separately treated as a Group A Obligor, Group B Obligor, Group C Obligor or Group D Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors.

"Group B Obligor" means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor, with a short-term rating of at least: (a) "A-2" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of "BBB+" to "A" by S&P on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, or (b) "P-2" by Moody's, or if such Obligor does not have a short-term rating from Moody's, "Baal" to "A2" by Moody's on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; provided, that if an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by both S&P and Moody's and such ratings are not equivalent, such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) shall be deemed to have the lower of such ratings for the purposes of this definition. Notwithstanding the foregoing, any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group B Obligor" shall be deemed to be a Group B Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage," "Obligor Percentage" and "Concentration Limits" pursuant

to clause (b) of the definition thereof for such Obligors, unless such deemed Obligor is separately rated by S&P or Moody's and separately satisfies the definition of "Group A Obligor," "Group B Obligor," "Group C Obligor" or "Group D Obligor," in which case, such Obligor shall be separately treated as a Group A Obligor, Group B Obligor, Group C Obligor or Group D Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors.

"Group C Obligor" means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor or a Group B Obligor, with a short-term rating of at least: (a) "A-3" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of "BBB-" to "BBB" by S&P on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, or (b) "P-3" by Moody's, or if such Obligor does not have a short-term rating from Moody's, "Baa3" to "Baa2" by Moody's on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; provided, that if an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by both S&P and Moody's and such ratings are not equivalent, such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) shall be deemed to have the lower of such ratings for the purposes of this definition. Notwithstanding the foregoing, any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group C Obligor" shall be deemed to be a Group C Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage," "Obligor Percentage" and "Concentration Limits" pursuant to clause (b) of the definition thereof for such Obligors, unless such deemed Obligor is separately rated by S&P or Moody's and separately satisfies the definition of "Group A Obligor," "Group B Obligor," "Group C Obligor" or "Group D Obligor," in which case, such Obligor shall be separately treated as a Group A Obligor, Group B Obligor, Group C Obligor or Group D Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors.

"Group D Obligor" means any Obligor that is not a Group A Obligor, Group B Obligor or Group C Obligor, provided, that any Obligor (or its parent or majority owner, as applicable, if such Obligor is unrated) that is not rated by Moody's and is not rated by S&P shall be a Group D Obligor.

"Guarantee" means, with respect to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in