
Lender or the L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 10.13.

3.07 Survival. All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE IV. CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions to Closing Date and Initial Borrowing. This Agreement shall become effective as of the date hereof and the obligations of the Lenders to make Loans and of the L/C Issuer to issue Letters of Credit hereunder shall become effective, in each case upon the satisfaction of the conditions precedent set forth in this Section 4.01 (the date upon which all such conditions precedent under this Section 4.01 shall be satisfied is referred to as the "Closing Date") (in addition, in the case of the obligations of the Lenders to make Loans and of the L/C Issuer to issue Letters of Credit hereunder, to the satisfaction of each of the conditions precedent set forth in Section 4.02):

(a) Receipt by the Administrative Agent of the following:

(i) (x) Executed counterparts of this Agreement, each properly executed by a Responsible Officer of Holdings and the Borrower, and by each Lender and the L/C Issuer and (y) executed counterparts of the Loan Documents (other than this Agreement), each properly executed by a Responsible Officer of the signing Loan Party;

(ii) Copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Person, as of the Closing Date, to be true and correct as of such date;

(iii) Such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is or will be a party;

(iv) Such documents and certifications, as of a recent date, as the Administrative Agent may reasonably require to evidence that each of the Loan Parties is duly organized or formed, and that each of the Loan Parties is validly existing, in good standing and qualified to engage in business in its jurisdiction of organization or formation;

(v) A favorable opinion of Simpson, Thacher & Bartlett LLP, counsel to the Loan Parties, dated as of the Closing Date, addressed to the Administrative Agent, the L/C Issuer and each Lender, in the form of Exhibit G;

(vi) An executed Perfection Questionnaire with respect to the Loan Parties (after giving effect to the Transactions to be consummated on the Closing Date) dated the Closing Date and duly executed by a Responsible Officer of the Borrower, together with the results of searches of judgments, tax liens and Uniform Commercial Code filings (or equivalent filings), made with respect to such Loan Parties, in each case, as applicable, in the states (or other jurisdictions) of formation of such Persons, in which the chief executive office of each such Person is located and in the other jurisdictions in which such Persons maintain property and as indicated on such Perfection Questionnaire, together with copies of the financing statements (or similar documents) disclosed by such Uniform Commercial Code search, and accompanied by evidence satisfactory to the Administrative Agent that the Liens indicated in any such financing statement (or similar document) would be otherwise permitted hereunder or have been or will be contemporaneously with the occurrence of the Closing Date released or terminated; and

(vii) A certificate dated the Closing Date and signed by a Responsible Officer of the Borrower certifying that the conditions specified in Section 4.01(j), Section 4.01(k) (accompanied by reasonably detailed backup calculations in support thereof), Section 4.01(n), Section 4.01(g), Section 4.02(a) and Section 4.02(b) have been satisfied.

(b) The Borrower shall have received (i) a public corporate credit rating from Moody's and a public corporate family rating from S&P, and (ii) a public rating of the Facilities by each of Moody's and S&P, in each case giving effect to the Transactions to be consummated on the Closing Date.

(c) The Administrative Agent shall have received (i) the financial statements referred to in Sections 5.05(a) and 5.05(b) and (ii) the pro forma financial statements referred to in Section 5.05(d).

(d) The Administrative Agent, on behalf of each Lender, shall have received all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the PATRIOT Act, that have been requested by the Administrative Agent and the Lenders no later than five days prior to the Closing Date.

(e) The Joint Lead Arrangers shall be reasonably satisfied with the terms and conditions of the drafts of the Spin-Off Transaction Documents filed as exhibits to Amendment No. 3 to Form 10 filed by Holdings on June 19, 2012 with the SEC.

(f) The Lenders, the Administrative Agent and the Joint Lead Arrangers shall have received all fees and other amounts due and payable on or prior to the Closing Date, including reimbursement or payment of all reasonable and documented out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder, in all cases to the extent invoiced at least two Business Days prior to the Closing Date.

(g) All material governmental and third party approvals necessary in connection with the Facilities and the Loan Documents shall have been obtained and be in full force and effect.

(h) The Collateral Documents shall have been duly executed by each Loan Party that is to be a party thereto and shall be in full force and effect on the Closing Date. Except as provided for in Section 6.15, the Administrative Agent shall be reasonably satisfied that all actions necessary to establish that the Administrative Agent will have a security interest on behalf of the Secured Parties in the Collateral of the type and priority described in each Collateral Document shall have been taken.

(i) The Administrative Agent shall have received a copy of, or a certificate as to coverage under, the insurance policies required by Section 6.06 and the applicable provisions of the Collateral Documents, each of which shall be endorsed or otherwise amended to include a customary lender’s loss payable endorsement and to name the Administrative Agent as additional insured, in form and substance reasonably satisfactory to the Administrative Agent. In addition, the Administrative Agent shall have received a schedule setting forth a true, complete and correct description of all material insurance maintained by or on behalf of Holdings, the Borrower and its Subsidiaries as of the Closing Date. As of such date, such insurance shall be in full force and effect and all premiums due on or before the Closing Date shall have been duly paid.

(j) There shall not have occurred since December 31, 2011 any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(k) As of the Closing Date, the Consolidated Leverage Ratio (after giving pro forma effect to the Transactions) shall not exceed 2.75:1.00.

(l) The Administrative Agent shall have received a certificate in the form of Exhibit I dated the Closing Date executed by the chief financial officer of the Borrower certifying that Holdings, the Borrower and its Subsidiaries, on a consolidated basis after giving effect to the Transactions, are solvent.

(m) The terms and conditions of the Spin-Off Transactions shall be consistent in all material respects with the terms set forth in the Spin-Off Transaction Documents and the information set forth in the Form 10. The Administrative Agent shall be reasonably satisfied that immediately following the initial Credit Extension on the Closing Date, the Spin-Off Transactions shall be consummated on terms and conditions consistent with the Spin-Off Transaction Documents.

(n) On the Closing Date, after giving effect to the Transactions, Holdings, the Borrower and its Subsidiaries shall not have outstanding Consolidated Funded Indebtedness in an aggregate principal amount in excess of \$350,000,000. The amount paid by Holdings, the Borrower and its Subsidiaries in cash to L-3 Communications Corporation on the Closing Date shall not exceed the sum of (i) \$335,000,000 and (ii) the aggregate cash balances held in bank accounts of Holdings, the Borrower and such Subsidiaries on the Closing Date (excluding the effect of any borrowings hereunder).

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Borrowing Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurodollar Rate Loans) is subject to the following conditions precedent:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (or in all respects if qualified by materiality or “Material Adverse Effect”) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (or in all respects if qualified by materiality or “Material Adverse Effect”) as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in Sections 5.05(a) and 5.05(b) shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and 6.01(b), respectively.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the L/C Issuer or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Borrowing Notice requesting only a conversion of Loans to the other Type or a continuation of Eurodollar Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and 4.02(b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

Each of Holdings and the Borrower represent and warrant to the Administrative Agent, the L/C Issuer and the Lenders that:

5.01 Existence, Qualification and Power. Each Loan Party (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents and the Transaction Documents to which it is a party and consummate the Transactions to be entered into by it, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document and each Transaction Document to which such Person is or is to be a party have been duly authorized (or, in the case of the Subsidiary Guarantors, will be duly authorized on or prior to the Closing Date) by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law.

5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document or Transaction Document, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof) or (d) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, except for the authorizations, approvals, actions, notices and filings listed on Schedule 5.03.

5.04 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

5.05 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of Holdings, the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of Holdings, the Borrower and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(b) The unaudited consolidated balance sheet of Holdings, the Borrower and its Subsidiaries dated March 30, 2012, and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Holdings, the Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Since December 31, 2011, there has been no event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(d) The consolidated pro forma balance sheet of Holdings, the Borrower and its Subsidiaries as at March 30, 2012, and the related consolidated pro forma statement of income of Holdings, the Borrower and its Subsidiaries for the three months then ended, certified by the chief financial officer or treasurer of the Borrower, fairly present the consolidated pro forma financial condition of Holdings, the Borrower and its Subsidiaries as at such date and the consolidated pro forma results of operations of Holdings, the Borrower and its Subsidiaries for the period ended on such date, in each case giving effect to the Transactions, all in accordance with GAAP. The consolidated pro forma statement of income of Holdings, the Borrower and its Subsidiaries for the year ended December 31, 2011, certified by the chief financial officer or treasurer of the Borrower, fairly presents the consolidated pro forma results of operations of Holdings, the Borrower and its Subsidiaries for the period ended on such date, in each case giving effect to the Transactions, all in accordance with GAAP.

5.06 Litigation. Except as set forth on Schedule 5.06, no litigation by, investigation by, or proceeding of or before any arbitrator or any Governmental Authority is pending or, to the knowledge of the Borrower, overtly threatened by or against Holdings, the Borrower or any of its Subsidiaries or against any of its or their respective properties or revenues (i) with respect to any Loan Document, any Transaction Document or any of the Transactions or (ii) which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect. For the avoidance of doubt, if any litigation, investigation or proceeding identified on Schedule 5.06 shall result in a Material Adverse Effect, the Loan Parties hereby agree that the Lenders shall be under no obligation to make any Loan and the L/C Issuer shall be under no obligation to issue or extend any Letter of Credit hereunder.

5.07 No Default. Neither Holdings, the Borrower nor any of its Subsidiaries is in default under or with respect to any of its Contractual Obligations in any respect which could reasonably be expected to have a Material Adverse Effect. No Default or Event of Default has occurred and is continuing.

5.08 Ownership of Property; Liens. Each of Holdings, the Borrower and its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of the Borrower and its Subsidiaries is subject to no Liens, other than Liens permitted by Section 7.01. Schedule 5.08(a) sets forth, after giving effect to the Transactions, a complete and accurate list of all real property owned by Holdings, the Borrower and its Subsidiaries, showing as of the Closing Date the street address, county or other relevant jurisdiction, state, record owner and estimated fair value thereof. Schedule 5.08(b) sets forth, after giving effect to the Transactions, with respect to any leasehold interest of real property with a value of more than \$2,000,000, a complete and accurate list of all such leases under which Holdings, the Borrower or any Subsidiary is the lessee or lessor, showing as of the Closing Date the street address, county or other relevant jurisdiction, state, lessor, lessee, expiration date and annual rental cost thereof.

5.09 Environmental Compliance. Except insofar as any exception to any of the following, or any aggregation of such exceptions, is not reasonably likely to result in a Material Adverse Effect:

(a) The facilities and properties owned, leased or operated by Holdings, the Borrower or any of its Subsidiaries (the “Properties”) do not contain, and have not previously contained, any Materials of Environmental Concern in amounts or concentrations which (i) constitute or constituted a violation of, or (ii) could reasonably be expected to give rise to Environmental Liability.

(b) None of Holdings, the Borrower nor any of its Subsidiaries has received any written notice of violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters or compliance with Environmental Laws with regard to any of the Properties or the Business, nor does the Borrower have knowledge or reason to believe that any such notice will be received or is being threatened.

(c) Materials of Environmental Concern have not been transported or disposed of from the Properties in violation of, or in a manner or to a location which could reasonably be expected to give rise to Environmental Liability, nor have any Materials of Environmental Concern been generated, treated, stored or disposed of at, on or under any of the Properties in violation of, or in a manner that could reasonably be expected to give rise to any Environmental Liability.

(d) No judicial proceeding or governmental or administrative action is pending or, to the knowledge of the Borrower, threatened, under any Environmental Law to which Holdings, the Borrower or any Subsidiary is or, to the knowledge of the Borrower, will be named as a party or with respect to the Properties or the business operated by Holdings, the Borrower or any of its Subsidiaries (the "Business"), nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to the Properties or the Business.

(e) There has been no release or threat of release of Materials of Environmental Concern at or from the Properties, or arising from or related to the operations of Holdings, the Borrower or any Subsidiary in connection with the Properties or otherwise in connection with the Business, in violation of or in amounts or in a manner that could reasonably give rise to any Environmental Liability.

(f) Holdings, the Borrower and its Subsidiaries, the Properties and all operations at the Properties are in compliance and have, in the last 3 years, been in compliance in all material respects with all applicable Environmental Laws, and there is no contamination at, under or about the Properties or violation of any applicable Environmental Law with respect to the Properties or the Business which could interfere with the continued operation of the Properties or the Business.

(g) Holdings, the Borrower and its Subsidiaries hold and are in compliance with all Environmental Permits necessary for their operations.

5.10 Insurance. The properties of Holdings, the Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Holdings, the Borrower or the applicable Subsidiary operates.

5.11 Taxes. Each of Holdings, the Borrower and its Subsidiaries have filed all federal, state and other material tax returns and reports which, to the knowledge of the Borrower, are required to be filed, and has paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against Holdings, the Borrower or

any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is a party to any tax sharing agreement other than the Tax Matters Agreement.

5.12 ERISA Compliance.

(a) Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, (i) no Reportable Event has occurred with respect to any Single Employer Plan; (ii) all contributions required to be made with respect to a Plan have been timely made; (iii) none of Holdings, the Borrower nor any ERISA Affiliate has incurred any material liability to or on account of a Plan that remains unsatisfied pursuant to Section 409, 502(i), 502(1), 515, 4062, 4063, 4064, 4069, 4201, 4204 or 4212 of ERISA or Section 4971, 4975 or 4980 of the Code or reasonably expects to incur any liability (including any indirect, contingent or secondary liability) under any of the foregoing Sections with respect to any Plan; (iv) no termination of, or institution of proceedings to terminate or appoint a trustee to administer, any Single Employer Plan or Multiemployer Plan has occurred; (v) each Plan has complied with the applicable provisions of ERISA and the Code (except that with respect to any Multiemployer Plan, such representation is deemed made only to the knowledge of the Borrower); (vi) no failure to satisfy the minimum funding standards under Sections 412 or 430 of the Code or Sections 302 or 303 of ERISA, extension of any amortization period (within the meaning of Section 412 of the Code) or Lien in favor of the PBGC or a Single Employer Plan has arisen or has occurred during the five year period prior to the date on which this representation is made or deemed made with respect to any Single Employer Plan and (v) no determination that any Pension Plan or Multiemployer Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA has occurred.

(b) Neither Holdings, the Borrower nor any ERISA Affiliate has had a complete or partial withdrawal from any Multiemployer Plan for which there is any outstanding material liability, and neither Holdings, the Borrower nor any ERISA Affiliate would become subject to any liability under ERISA if Holdings, the Borrower or any such ERISA Affiliate were to withdraw completely from all Multiemployer Plans as of the valuation date most closely preceding the date on which this representation is made or deemed made in an amount which would be reasonably likely, individually or in the aggregate, to have a Material Adverse Effect. To the knowledge of the Borrower, no Multiemployer Plan is in Reorganization or Insolvent except to the extent that any such event could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.13 Subsidiaries. Schedule 5.13 sets forth as of the Closing Date (after giving effect to the Transactions) a list of all Subsidiaries and the percentage ownership interest of the Borrower therein. The shares of capital stock or other ownership interests so indicated on Schedule 5.13 are fully paid and non-assessable and are owned by the Borrower as of the Closing Date, directly or indirectly, free and clear of all Liens (other than Liens created under the Collateral Documents). On and after the Closing Date, the Borrower's Equity Interests are fully paid and non-assessable and are directly owned by Holdings free and clear of all Liens (other than Liens created under the Collateral Documents).

5.14 Margin Regulations; Investment Company Act.

(a) No part of the proceeds of any Loans will be used for “purchasing” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U of the Board of Governors of the Federal Reserve System as now and from time to time hereafter in effect.

(b) None of Holdings, the Borrower or any of its Subsidiaries is an “investment company,” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act of 1940, as amended. None of Holdings, the Borrower or any of its Subsidiaries is subject to regulation under any Federal or State statute or regulation (other than Regulation X of the Board of Governors of the Federal Reserve System) which limits its ability to incur the types of Indebtedness comprising the Obligations.

5.15 Accuracy and Completeness of Information. Neither (a) the Confidential Information Memorandum nor (b) any other information, report, financial statement, exhibit or schedule furnished in writing by or on behalf of the Borrower to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or included herein or delivered pursuant hereto contained, contains or will contain any material misstatement of fact or omitted, omits or will omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were, are or will be made, not materially misleading; provided that to the extent any such information, report, financial statement, exhibit or schedule was based upon or constitutes a forecast or projection, the Borrower represents only that it acted in good faith and utilized assumptions believed by it to be reasonable in the preparation of such information, report, financial statement, exhibit or schedule.

5.16 Compliance with Laws. Each of Holdings, the Borrower and its Subsidiaries is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.17 Intellectual Property; Licenses, Etc. Holdings, the Borrower and each of its Subsidiaries owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted (the “Company Intellectual Property”) except for those the failure to own or license which could not reasonably be expected to have a Material Adverse Effect. No claim has been asserted and is pending by any Person challenging or questioning the use of any Company Intellectual Property or the validity, enforceability or effectiveness of any Company Intellectual Property, nor does the Borrower know of any valid basis for any such claim. To the best of the Borrower’s knowledge, the conduct of the business of, and the use of Company Intellectual Property by, the Borrower and its Subsidiaries does not infringe, misappropriate, dilute or otherwise violate the rights of any Person. To the best of the Borrower’s knowledge, no Person is infringing, misappropriating, diluting, or otherwise violating any Intellectual Property of any of Holdings, the Borrower and any of its Subsidiaries.