(c) obligations in respect of deferred compensation to employees of Holdings and its Subsidiaries in the ordinary course of business;

(d) obligations of Holdings or any Subsidiary incurred in the ordinary course of business in respect of performance guarantees, completion guarantees, performance bonds, bid bonds, appeal bonds, surety bonds, judgment bonds, replevin bonds and similar bonds and other similar obligations to the extent any such obligations constitute Indebtedness; and

(e) Indebtedness incurred in the ordinary course of business in respect of cash management, netting services, automatic clearinghouse arrangements, overdraft protections and other similar arrangements and Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument of Holdings or a Subsidiary drawn against insufficient funds in the ordinary course of business that is promptly repaid.

"Permitted Investments" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency or instrumentality thereof);

(b) investments in commercial paper maturing no more than one year from the date of creation thereof and having, at the time of the acquisition thereof, a credit rating of at least A2 from S&P, P2 from Moody's or F2 from Fitch;

(c) investments in certificates of deposit, banker's acceptances and time deposits issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, (i) any domestic or offshore office of any commercial bank organized under the laws of the United States of America or any State thereof, (ii) any office located within the United States of America or in a foreign jurisdiction that has a tax treaty with the United States of America of a commercial bank organized under the laws of another country or (iii) any office located in London of any commercial bank organized under the laws of the United States of America, any Asian country or any European country, in each case which, at the time of acquisition, has a combined capital and surplus and undivided profits of not less than $500,000,000; provided, however, that investments with any bank that has a combined capital and surplus and undivided profits of less than $500,000,000 are permitted if the Parent Borrower maintains a banking relationship with such bank;

(d) collateralized repurchase agreements with a term of not more than 365 days and entered into with a financial institution satisfying the criteria described in clause (c) above or any Lender or any Affiliate of a Lender (i) that has a combined capital and surplus and undivided profits of not less than $500,000,000 or (ii) whose obligations under any such agreements is guaranteed by an entity that has a combined capital and surplus and undivided profits of not less than $500,000,000; and

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940 and (ii) have portfolio

assets of at least $3,000,000,000; provided, that investments in any money market fund with portfolio assets of less than $3,000,000,000 are permitted if such fund has received a rating of AAA from S&P or Aaa from Moody's.

"Permitted Long-Term Indebtedness" means unsecured Indebtedness for borrowed money of Holdings or the Parent Borrower (and the Guarantees thereof by Holdings or Parent Borrower); provided that (a) such Indebtedness shall mature later than, and shall not be subject to any scheduled payment of principal, mandatory sinking fund requirement or similar unconditional repayment obligation prior to, the Specified Date (as in effect on the date of the incurrence of such Indebtedness) and (b) such Indebtedness shall not be subject to any terms requiring any obligor of such Indebtedness to Pay

(or offer to Pay) such Indebtedness other than (i) pursuant to scheduled payments of principal that comply with clause (a) above and (ii) pursuant to Customary Mandatory Prepayment Terms.

"Permitted Second-Lien Indebtedness" means Indebtedness for borrowed money of Holdings or the Parent Borrower or a Subsidiary (or, subject to clause (ii) of the second sentence of this definition, any Guarantee by a Loan Party thereof) secured on a second-priority (or other junior priority) basis by the assets of any Loan Party; provided that (a) such Indebtedness satisfies the requirements set forth below and (b) the Parent Borrower shall have delivered to the Administrative Agent a certificate of a Financial Officer (i) designating such Indebtedness as "Permitted Second-Lien Indebtedness", (ii) specifying the initial principal amount thereof, (iii) identifying the trustee, administrative agent or collateral agent (or equivalent agent or representative of the creditors) thereunder and (iv) certifying that such Indebtedness satisfies the requirements set forth in this definition and that after giving effect to the incurrence thereof no Default or Event of Default shall have occurred and be continuing. No Indebtedness shall be Permitted Second-Lien Indebtedness at any time unless it satisfies the following requirements at such time:

(i) such Indebtedness, if secured by any Collateral, shall be secured solely on a second-priority (or other junior priority) basis by such Collateral and shall be subject to an Intercreditor Agreement, and, if secured by any real property or Intellectual Property, shall be subject to a Collateral Cooperation Agreement;

(ii) no Subsidiary shall be an obligor under or in respect of such Indebtedness unless such Subsidiary shall be a Loan Party and shall have satisfied the Collateral and Guarantee Requirement;

(iii) such Indebtedness shall not mature on or prior to the Specified Date (as in effect on the date of the incurrence of such Indebtedness);

(iv) such Indebtedness shall not require any scheduled payments of principal prior to the Specified Date (as in effect on the date of the incurrence of such Indebtedness), other than any such scheduled payments that, during any one-year period after the date of issuance or incurrence of such Indebtedness, together with all other scheduled payments of principal in respect of Permitted First-Lien Indebtedness and Permitted Second-Lien Indebtedness during such one-year period, do not exceed the lesser of (A) $100,000,000 and (B) 10% of the initial principal amount of all Permitted First-Lien Indebtedness and Permitted Second-Lien Indebtedness outstanding at the time such Indebtedness was issued, after giving effect to such issuance; and

(v) such Indebtedness shall not be subject to any terms requiring any obligor of such Indebtedness to Pay (or offer to Pay) such Indebtedness other than (A) at maturity, (B) pursuant to scheduled payments of principal that comply with clause (iv) above and (C) Customary Mandatory Prepayment Terms.

Notwithstanding anything to the contrary herein, any Permitted Second-Lien Indebtedness may also be secured on a first-priority basis by assets of any Loan Party that do not constitute Collateral (and (A) proceeds of such assets and (B) assets (other than assets of the type referred to in clauses (i) through (iv) of Section 3.01(a) of the Collateral Agreement) related to such assets, whether or not constituting Collateral, subject to the provisions of the applicable Intercreditor Agreement, provided that such Permitted Second-Lien Indebtedness may be secured on a first-priority basis by any Deposit Account used solely to deposit proceeds of the assets securing such Indebtedness that are permitted by the definition of "Permitted First-Lien Indebtedness" to be deposited in such Deposit Account), provided further that such Permitted Second-Lien Indebtedness shall satisfy the requirements set forth in the definition of "Permitted First-Lien Indebtedness".

"Permitted Supply Chain Financing" has the meaning set forth in Section 6.01(k).

"Person" means any individual, corporation, limited liability company, trust, joint venture, association, company, partnership, unincorporated organization, Governmental Authority or other entity.

"Plan" means any pension plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA that is maintained, sponsored or contributed to by Holdings or any ERISA Affiliate.

"Prime Rate" means (a) with respect to the Revolving Loans and Obligations arising in respect thereof, the rate of interest announced, from time to time, within Wells Fargo at its principal office in San Francisco as its "prime rate" (subject to each increase or decrease in such prime rate, effective as of the day any such change occurs) and (b) with respect to the Term Loans and Obligations arising in respect thereof, the rate of interest publicly announced, from time to time, by Bank of America as its "prime rate" (subject to each increase or decrease in such prime rate, effective as of the day any such change occurs), provided, that, the "prime rate" is one of the base rates (not necessarily the lowest of such rates) used by Wells Fargo or Bank of America, as the case may be, and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publications as Wells Fargo or Bank of America, as applicable, may designate.

"Protective Advance" has the meaning assigned to such term in Section 2.04(b).

"Purchasing" means J. C. Penney Purchasing Corporation, a New York corporation.

"Qualified Cash" means unrestricted cash and cash equivalents of a Borrower that are subject to the valid, enforceable and first priority perfected Lien of Administrative Agent in a Deposit Account at one of the Co-Collateral Agents subject to a Control Agreement (which will limit the terms of withdrawal of such funds by a Loan Party without the approval of Administrative Agent at any time an Event of Default has occurred and is continuing and at any time, whether before or after an Event of Default, shall require that Administrative Agent receive not less than 3 Business Days' prior written notice of any such withdrawal specifying the date and amount to be withdrawn) and free and clear of any Lien (other than (a) in favor of Administrative Agent, (b) in favor of the agent under the Existing Term Loan Agreement (subject to the terms of the Existing Intercreditor Agreement with respect thereto or any other applicable Intercreditor Agreement) and (c) in favor of the depository bank where the Deposit Account is maintained for its reasonable and customary fees and charges related to such account), are available for use by such Loan Party without condition or restriction (other than in favor of Administrative Agent), and for which Administrative Agent shall have received evidence, in form and substance reasonably satisfactory to Administrative Agent, of the amount of such cash or cash equivalents held in such deposit account or investment account as of the applicable date of the calculation of Excess Availability or Adjusted Excess

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Availability and the satisfaction of the other conditions herein.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 at such time or that qualifies at such time as an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Quarterly Average Excess Availability" means, at any time, the daily average of the aggregate amount of the Excess Availability for the immediately preceding fiscal quarter of Borrowers as calculated by Administrative Agent.

"Realty Company" means each of JCP Realty Inc. and its Subsidiaries that is principally engaged in the business of managing and owning real estate and real estate-related interests.

"Recipient" means, as applicable, (a) the Administrative Agent, (b) any Lender or (c) the Issuing Bank or its beneficial owner.

"Related Parties" means, with respect to any specified Person, (a) any controlled Affiliates and controlling persons of such Person, (b) the respective officers, directors and employees of such Person or any of its controlling persons or controlled Affiliates and (c) the respective agents, advisors and other representatives of such Person, controlling person or controlled Affiliate to the extent acting at the instructions of such Person, controlling persons or controlled affiliate.

"Reports" means reports prepared by the Administrative Agent or another Person showing the results of appraisals, field examinations or audits with respect to the assets of any Loan Party from information furnished by or on behalf of any Loan Party, after the Administrative Agent has exercised its rights of inspection pursuant to this Agreement, which Reports have been distributed to (or are being prepared for distribution to) the Lenders by the Administrative Agent.

"Repricing Event" has the meaning assigned to such term in Section 2.11(c).

"Required Lenders" means, at any time, those Lenders who collectively hold more than 50% of the sum of (a) the aggregate of the Revolving Commitments of all Revolving Lenders (or if the Revolving Commitments shall have been terminated, the then outstanding Revolving Credit Exposure) plus (b) the then outstanding principal amount of the Term Loans; provided, that, at any time there are three (3) or more Lenders, "Required Lenders" must include at least three (3) Lenders that are not Affiliates of each other. For purposes of calculating the "Required Lenders", the Revolving Commitments, Revolving Credit Exposure and Term Loans of any Defaulting Lender shall be deemed to be zero.

"Required Revolving Lenders" means, at any time, those Revolving Lenders who collectively hold more than 50% of the aggregate of the Revolving Commitments of all Revolving Lenders (or if the Revolving Commitment shall have been terminated, the then outstanding Revolving Credit Exposure); provided, that, at any time there are three (3) or more Revolving Lenders, "Required Revolving Lenders" must include at least three (3) Revolving Lenders that are not Affiliates of each other. For purposes of calculating "Required Revolving Lenders", the Revolving Commitments and the Revolving Credit Exposure of any Defaulting Lender shall be deemed to be zero.

"Required Term Lenders" means, at any time, those Term Lenders who collectively hold more than 50% of the then outstanding principal amount of the Term Loans; provided, that, at any time there

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are three (3) or more Term Lenders, "Required Term Lenders" must include at least three (3) Term Lenders that are not Affiliates of each other.

"Reserves" means the Amortization Reserves, Designated Secured Obligations Reserve, Maturity Date Debt Reserve, the Term Loan Reserve and such other reserves as the Co-Collateral Agents may from time to time determine in their Permitted Discretion to maintain with respect to the Collateral or any Loan Party in each case upon prior notice if and to the extent applicable as set forth below; provided that:

(a) circumstances, conditions, events or contingencies arising prior to the Closing Date and disclosed to each Co-Collateral Agent in the most recent Form 10-K as filed with the Securities and Exchange Commission prior to the date of the Commitment Letter and field examination prior to the Closing Date received by each Co-Collateral Agent shall not be the basis for the establishment or modification of Reserves (other than Reserves with respect to Designated Secured Treasury Services Obligations and Designated Swap Obligations) unless (i) such category of Reserves was established on the Closing Date or (ii) circumstances, conditions, events or contingencies shall have changed since the Closing Date, or (iii) the circumstances, conditions, events or contingencies exist on the Closing Date and have been disclosed to each Co-Collateral Agent but Co-Collateral Agents elected not to establish a Reserve with respect thereto or otherwise address it in the advance rates, provided, that, the Parent Borrower has been notified prior to the Closing Date of such circumstances, conditions, events or contingencies that exist on the Closing Date but for which Co-Collateral Agents have elected not to establish a Reserve on the Closing Date;

(b) the circumstances, conditions, events or contingencies giving rise thereto will or reasonably could be expected to adversely affect the value of the assets in the Collateral, the enforceability or priority of Administrative Agent's liens thereon, the validity or enforceability of the Loan Documents or any material remedies of any Agent and Lenders, the amount that Agents and Lenders would likely receive in liquidation of any Collateral, claims and liabilities that each Co-Collateral Agent determines in its Permitted Discretion will need to be satisfied in connection with the realization upon the Collateral, or to address impediments to Administrative Agent's ability to realize upon the Collateral or increase the risk of lending on the assets of Borrowers;

(c) the amount of any Reserves shall bear a reasonable relationship to the circumstance, condition, event or other contingency that is the basis therefor and no reserve shall duplicate any other reserves or items that are otherwise addressed or excluded through eligibility criteria;

(d) upon delivery of notice to Parent Borrower by a Co-Collateral Agent of its intent to establish new categories of Reserves or change the methodology in calculating Reserves, such Co-Collateral Agent shall be available to discuss the proposed Reserves or change in methodology, and Borrowers may take such action as may be required so that the circumstance, condition, event or other contingency that is the basis for such new category or change in methodology no longer exists, in a manner and to the extent reasonably satisfactory to each Co-Collateral Agent in the exercise of its Permitted Discretion;

(e) in the event that the event, condition or other matter giving rise to the establishment of any Reserve shall cease to exist, Parent Borrower may request in writing that the Co-Collateral Agents discontinue the Reserve established pursuant to such event, condition or other matter (and each Co-Collateral Agent will have a reasonable period of time to evaluate such request and will be available to discuss such request with Parent Borrower); and

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(f) Co-Collateral Agents will provide Parent Borrower with five Business Days' prior notice of the establishment of new categories of Reserves or the change in the methodology of calculation of an existing category of Reserves (during which period the Administrative Agent shall be available to discuss any such proposed Reserve with the Parent Borrower); provided, that no such prior notice shall be required for (A) changes to any Reserves resulting solely by virtue of mathematical calculations of the amount of the Reserve in accordance with the methodology of calculation previously utilized, or (B) changes to Reserves or the establishment of additional Reserves if a Material Adverse Effect has occurred or it would be reasonably likely that a Material Adverse Effect would occur were such Reserves not changed or established prior to the expiration of such five Business Day period.

"Restricted Payment" means (a) any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in Holdings or any Subsidiary, (b) any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in Holdings or any Subsidiary, (c) any payment made in connection with the conversion of any convertible Indebtedness into Equity Interests in Holdings or any Subsidiary and that constitutes a "net settlement" in respect of any such Equity Interests that would have been issuable upon such conversion on account of the principal of such Indebtedness, or (d) any payment made on account of a "call spread" transaction relating to an issuance of Indebtedness or preferred Equity Interests convertible into Equity Interests in Holdings or any Subsidiary; provided that a dividend, distribution or payment to the extent payable in Equity Interests (other than Disqualified Equity Interests) in Holdings shall not constitute a Restricted Payment.

"Restructuring Transactions" means (a) the execution, delivery and performance by each Loan Party of the Existing Term Loan Documents to which it is or is to be a party, (b) the borrowing of the term loans under the Existing Term Loan Documents, and (c) the transactions pursuant to which Holdings and/or Parent Borrower shall have caused the restrictive covenants in respect of liens, sale-and-leaseback transactions, indebtedness and guarantees set forth in the 2023 Indenture governing the 2023 Debentures to cease to apply to Holdings and Parent Borrower and their respective Subsidiaries, which shall occur through any combination of (i) an amendment to the terms of the 2023 Indenture with the consent of not less than 66-2/3% of the outstanding 2023 Debentures, (ii) the satisfaction and discharge of all of the outstanding 2023 Debentures in accordance with the provisions of the 2023 Debentures or (iii) the repurchase of not less

than 66-2/3% of the outstanding 2023 Debentures and amendment of the 2023 Indenture pursuant to a tender offer and consent solicitation made in accordance with customary debt tender and exit consent procedures. The term "2023 Indenture" means the Indenture, dated as of October 1, 1982 as supplemented by the First Supplemental Indenture dated as of March 15, 1983, the Second Supplemental Indenture dated as of May 1, 1984, the Third Supplemental Indenture dated as of March 7, 1986, the Fourth Supplemental Indenture dated as of June 7, 1991 and the Fifth Supplemental Indenture dated as of January 27, 2002 between the Parent Borrower and U.S. Bank National Association (successor to Bank of America National Trust and Savings Association), as Trustee. "2023 Debentures" means the 7-1/8% Debentures due 2023 issued by Parent Borrower pursuant to the 2023 Indenture.

"Revolving Agent Payment Account" shall mean such account of Revolving Agent as Revolving Agent may from time to time designate to Parent Borrower and Administrative Agent as the Revolving Agent Payment Account for purposes of this Agreement and the other Loan Documents.

"Revolving Borrowing" means (a) Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Eurodollar Loans, as to which a single Interest Period is in effect, (b) a Swingline Loan or (c) a Protective Advance.

"Revolving Commitment" means, with respect to each Revolving Lender, the commitment of

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such Lender to make Revolving Loans and to acquire participations in Letters of Credit, Swingline Loans and Protective Advances hereunder, expressed as an amount representing the maximum aggregate amount of such Lender's Revolving Credit Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04 or pursuant to a Revolving Commitment Increase. The initial amount of each Revolving Lender's Commitment is set forth on Schedule 2.01, in an amendment to this Agreement entered into in connection with a Commitment Increase or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable. The initial aggregate amount of the Revolving Lenders' Commitments on the Closing Date is $1,850,000,000.

"Revolving Commitment Increase" has the meaning assigned to such term in Section 2.22.

"Revolving Credit Exposure" means, with respect to any Revolving Lender at any time, the sum of the outstanding principal amount of such Revolving Lender's Revolving Loans and its LC Exposure and Swingline Exposure at such time plus an amount equal to its Applicable Revolving Percentage of the aggregate principal amount of Protective Advances outstanding at such time.

"Revolving Credit Line Cap" as used herein means the lesser of (a) the Revolving Maximum Credit and (b) the Borrowing Base.

"Revolving Lenders" means the Persons listed on Schedule 2.01 as a Lender having a Revolving Commitment and any other Person that shall have become a party hereto as a Revolving Lender pursuant to an Assignment and Assumption or pursuant to Section 2.22 or 2.23, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term "Revolving Lenders" includes the Swingline Lenders.

"Revolving Loan" means a Loan made pursuant to Section 2.01(a).

"Revolving Loan Register" has the meaning assigned to such term in Section 9.04.

"Revolving Maximum Credit" means, at any time, the aggregate amount of the Revolving Commitments of all Revolving Lenders at such time.

"Rights Offering" means the issuance or distribution to holders of Equity Interests of Holdings of rights to purchase additional Equity Interests of Holdings.

"S&P" means Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc.

"Sale/Leaseback Transaction" has the meaning assigned to such term in Section 6.06.

"Sanctions" has the meaning assigned to such term in Section 3.07.

"Scheduled Maturity Date" means, except to the extent extended pursuant to Section 2.23, June 20, 2019.

"Secured Parties" means (a) the Lenders, (b) the Administrative Agent, (b) the Revolving Agent, (c) the Term Agent, (d) the Co-Collateral Agents, (e) the LC Agent, (f) the Issuing Banks, (g) each counterparty to any Swap Agreement with a Loan Party the obligations under which constitute Secured Swap Obligations, (h) the beneficiaries of each indemnification obligation undertaken by any Loan Party

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under any Loan Document, (i) any Lender to which obligations that constitute Secured Treasury Services Obligations are owed, (j) any Lender to which obligations that constitute Secured Supply Chain Obligations are owed and (k) the successors and assigns of each of the foregoing.

"Secured Supply Chain Obligations" means the due and punctual payment and performance of all obligations of each Loan Party to a Lender or an Affiliate of a Lender under any Permitted Supply Chain Financing, to the extent the documentation for such obligations specifically provides that such Lender or Affiliate of a Lender is entitled to the benefit of the Security Interest (as defined in the Collateral Agreement).

"Secured Swap Obligations" means the due and punctual payment and performance of all obligations of each Loan Party under each Swap Agreement that (a) is in effect on the Closing Date with a counterparty that is a Lender or an Affiliate of a Lender as of the Closing Date or (b) is entered into after the Closing Date with any counterparty that is a Lender or an Affiliate of a Lender at the time such Swap Agreement is entered into, except to the extent the documentation for such obligations specifically provides that such Lender or Affiliate of a Lender is not entitled to the benefit of the Security Interest (as defined in the Collateral Agreement). Notwithstanding anything to the contrary herein, the "Secured Swap Obligations" shall not include any Excluded Swap Obligations.

"Secured Treasury Services Obligations" means the due and punctual payment of all monetary obligations and other liabilities of any Loan Party in respect of overdrafts and related liabilities and obligations arising from or in connection with Treasury Services, except to the extent the documentation for such obligations specifically provides that such Lender or Affiliate of a Lender is not entitled to the benefit of the Security Interest (as defined in the Collateral Agreement).

"Securities Account" means any "securities accounts", within the meaning of Article 8 of the UCC, of any Loan Party.

"Security Documents" means the Collateral Agreement, the Collateral Access Agreements, the Collateral Cooperation Agreements, the Customs Broker Agreements, the Control Agreements, and each other security agreement or other instrument or document executed and delivered to secure the Obligations.

"Senior Secured Leverage Ratio" means the ratio as of the last day of any fiscal quarter of Holdings and its Subsidiaries of (a) any Consolidated Total Debt that is secured by a Lien upon any real or personal property or other assets of Holdings, Parent Borrower or any Subsidiary as of such date to (b) Consolidated Adjusted EBITDA for the four-fiscal quarter period ending on such date.

"Settlement Date" has the meaning assigned to such term in Section 2.19.

"Solvent" means, with respect to any Loan Party, that as of the date of determination, (a) the sum of such Loan Party's debt (including contingent liabilities) does not exceed the present fair saleable value of such Loan Party's present assets; (b) such Loan Party's capital is not unreasonably small in relation to its business as contemplated on the Closing Date or with respect to any transaction contemplated to be undertaken after the Closing Date; and (c) such Person has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise). For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standards No. 5).

"Specified Date" means, as of the relevant date of determination, the date that is 90 days after the latest Scheduled Maturity Date.

"Specified Demand Account" means

(a) the Deposit Accounts that are demand deposit accounts of a Loan Party maintained with Bank of America or Wells Fargo and currently used to hold "cash short-term investments" (as such term is used in the balance sheet of Holdings and its consolidated Subsidiaries and consistent with the current practices of Holdings as of the date hereof), which are subject to a Control Agreement, provided, that, such accounts shall not be required for this purpose to be subject to a Control Agreement for 90 days after the Closing Date (or such longer period as the Administrative Agent may agree, or

(b) any other Deposit Accounts established after the Closing Date after prior written notice to Administrative Agent that are used exclusively to hold "cash short-term investments" (as such term is used in the balance sheet of Holdings and its consolidated Subsidiaries and consistent with the current practices of Holdings as of the date hereof), which are subject to a Control Agreement; provided, that

(i) Deposit Accounts established after the Closing Date at Bank of America or Wells Fargo shall not be required to be subject to a Control Agreement for a period of 10 Business Days after the date such accounts are established (or such longer period as the Administrative Agent may agree) and

(ii) if more than 50% of the "cash short-term investments" otherwise required to be held in Specified Demand Accounts under Section 5.16(d) are held in Deposit Accounts established after the Closing Date at Bank of America or Wells Fargo that are not subject to a Control Agreement during a period of 10 Business Days after the date such accounts are established (or such longer period as the Administrative Agent may agree), then such Deposit Accounts shall not be deemed to be Specified Demand Accounts.

"Specified Event of Default" means an Event of Default (i) arising under clause (a) or (b) of Section 7.01, (ii) arising with respect to any Loan Party under clause (h) or (i) of Section 7.01 or (iii) resulting from the failure to comply with Section 5.01(g), 5.07, 5.16 or 6.11 or any representation or warranty contained in any Borrowing Base Certificate proving to have been incorrect in any material respect.

"Specified Involuntary Lien" means any involuntary Lien that would be a Permitted Encumbrance under clause (a) or (b) of the definition of "Permitted Encumbrance" but for being overdue by more than 30 days or not being contested in accordance with Section 5.05.

"Specified Loan Party" means any Loan Party that is not then an "eligible contract participant" under the Commodity Exchange Act (determined prior to giving effect to Section 9.16).

"Stand-by Letter of Credit" means any Letter of Credit that is not a Trade Letter of Credit.

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurodollar Loans shall be

deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned or held.

"Subsidiary" means any subsidiary of Holdings, including the Parent Borrower but excluding any Excluded Subsidiary.

"Subsidiary Borrower Election" means an agreement executed by the Parent Borrower and a Subsidiary, and delivered to the Administrative Agent, pursuant to which the Parent Borrower designates such Subsidiary to be, and such Subsidiary agrees to be, a Borrower hereunder, in accordance with Section 2.20. Each Subsidiary Borrower Election shall be in a form reasonably satisfactory to the Administrative Agent.

"Subsidiary Borrower Termination" means a notice executed by the Parent Borrower and delivered to the Administrative Agent terminating a Subsidiary's status as a Borrower hereunder in accordance with Section 2.20.

"Supermajority Lenders" means, at any time, those Lenders who collectively hold more than 66 2/3% of the sum of (a) the aggregate of the Revolving Commitments of all Revolving Lenders (or if the Revolving Commitments shall have been terminated, the then outstanding Revolving Credit Exposure) plus (b) the then outstanding principal amount of the Term Loans; provided, that, at any time there are 4 or more Lenders, "Supermajority Lenders" must include at least 4 Lenders that are not Affiliates of each other. For purposes of calculating "Supermajority Lenders", the Revolving Commitments and Term Loans of any Defaulting Lender shall be deemed to be zero.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value

or any similar transaction or any combination of these transactions; provided that (a) no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Holdings or the Subsidiaries shall be a Swap Agreement and (b) no such agreement to which Holdings or any Subsidiary is a party, that only requires Holdings or such Subsidiary to fulfill its obligations thereunder with the issuance of Equity Interests of Holdings other than Disqualified Equity Interests shall be a Swap Agreement. For the avoidance of doubt, "Swap Agreement" will include a swap transaction pursuant to which the obligations of the applicable Loan Party to make scheduled payments thereunder are deferred (including, without limitation, payment obligations that are deferred to the scheduled termination date of such transaction so that such Loan Party makes a single payment thereunder on such scheduled termination date).

"Swap Obligations" means with respect to any Loan Party any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section

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1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, in respect of any one or more Swap Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreements, (a) for any date on or after the date such Swap Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s) (or in the absence of such determination as reasonably determined by Parent Borrower, or, if different, the arranger of such Swap Agreement), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Agreements (which may include a Lender or any Affiliate of a Lender) or in the absence of such determination as reasonably determined by Parent Borrower.

"Swingline Exposure" means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Revolving Lender at any time shall be its Applicable Revolving Percentage of the total Swingline Exposure at such time.

"Swingline Lender" means Wells Fargo Bank, National Association, and each other Lender that agrees to be a Swingline Lender hereunder as provided in Section 2.04(a), in each case in its capacity as a lender of Swingline Loans hereunder.

"Swingline Loan" means a Loan made pursuant to Section 2.04(a).

"Taxes" means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Agent" means Bank of America, N.A., in its capacity as administrative agent for the Term Lenders hereunder.

"Term Agent Payment Account" shall mean such account of Term Agent as Term Agent may from time to time designate to Parent Borrower and Administrative Agent as the Term Agent Payment Account for purposes of this Agreement and the other Loan Documents.

"Term Commitment" means, with respect to each Term Lender, the commitment of such Lender to make Term Loans, expressed as an amount representing the maximum aggregate amount of such Lender's Term Loans hereunder. The initial amount of each Lender's Term Commitment is set forth on Schedule 2.01 or in the Assignment and Assumption