UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

x **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED MARCH 31, 2010**

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____**

Commission File Number: 001-32433

PRESTIGE BRANDS HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

Delaware		**20-1297589**
(State or other jurisdiction of incorporation or organization)		(I.R.S. Employer Identification No.)

90 North Broadway
Irvington, New York 10533
(914) 524-6810

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	**Name of each exchange on which registered:**
Common Stock, par value $.01 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes o No ☑

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No ☑

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o Accelerated filer ☑ Non-accelerated filer o Smaller reporting company o

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No ☑

The aggregate market value of voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold as of the last business day of the Registrant's most recently completed second fiscal quarter ended September 30, 2009 was $352.2 million.

As of June 4, 2010, the Registrant had 50,049,150 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Definitive Proxy Statement for the 2010 Annual Meeting of Stockholders (the "2010 Proxy Statement") presently scheduled for August 3, 2010 are incorporated by reference into Part III of this Annual Report on Form 10-K to the extent described herein.

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TRADEMARKS AND TRADE NAMES

Trademarks and trade names used in this Annual Report on Form 10-K are the property of Prestige Brands Holdings, Inc. or its subsidiaries, as the case may be. We have italicized our trademarks or trade names when they appear in this Annual Report on Form 10-K.

Part I.

ITEM 1. BUSINESS

Overview

Unless otherwise indicated by the context, all references in this Annual Report on Form 10-K to "we", "us", "our", "Company" or "Prestige" refer to Prestige Brands Holdings, Inc. and its subsidiaries. Similarly, reference to a year (e.g. "2010") refers to our fiscal year ended March 31 of that year.

We sell well-recognized, brand name over-the-counter healthcare, household cleaning and personal care products in a global marketplace. We use the strength of our brands, our established retail distribution network, a low-cost operating model and our experienced management team to our competitive advantage to compete in these categories and, as a result, grow our sales and profits. Our ultimate success is dependent on our ability to:

- Develop effective sales, advertising and marketing programs,
- Grow our existing product lines,
- Develop innovative new products,
- Acquire new brands,
- Respond to the technological advances and product introductions of our competitors, and
- Develop a larger presence in international markets.

Our major brands, set forth in the table below, have strong levels of consumer awareness and retail distribution across all major channels. These brands accounted for approximately 97.1%, 97.0% and 96.7% of our net revenues for 2010, 2009 and 2008, respectively.

Major Brands	Market Position (1)	Market Segment (2)	Market Share (3) (%)	ACV(4) (%)
Over-the-Counter Healthcare:				
Chloraseptic®	#1	Sore Throat Liquids/Lozenges	38.6	94
Clear Eyes®	#2	Eye Allergy/Redness Relief	16.0	88
Compound W®	#2	Wart Removal	32.9	90
Wartner®	#3	Wart Removal	4.8	23
The Doctor's® NightGuard™	#2	Bruxism (Teeth Grinding)	32.0	41
The Doctor's® Brushpicks®	#2	Interdental Picks	22.0	58
Little Remedies®	#5	Pediatric Healthcare	2.8	84
Murine®	#3	Personal Ear Care	12.3	73
New-Skin®	#1	Liquid Bandages	54.4	84
Dermoplast®	#3	Pain Relief Sprays	15.2	63
Household Cleaning:				
Comet®	#2	Abrasive Tub and Tile Cleaner	33.6	99
Chore Boy®	#1	Soap Free Metal Scrubbers	29.8	37
Spic and Span®	#6	Dilutable All Purpose Cleaner	3.0	50
Personal Care:				
Cutex®	#1	Nail Polish Remover	24.2	77

(1) The data included in this Annual Report on Form 10-K with regard to the market share and ranking for our brands has been prepared by the Company, based in part on data generated by the independent market research firm, Symphony IRI Group, Inc., formerly known as Information Resources, Inc. ("Information Resources"). Information Resources reports retail sales data in the food, drug and mass merchandise markets. However, Information Resources' data does not include Wal-Mart point of sale data, as Wal-Mart ceased providing sales data to the industry in 2001. Although Wal-Mart represents a significant portion of the mass merchandise market for us, as well as our competitors, we believe that Wal-Mart's exclusion from the Information Resources data analyzed by the Company above does not significantly change our market share or ranking relative to our competitors.

(2) "Market segment" has been defined by the Company based on its product offerings and the categories in which it competes.

(3) "Market share" is based on sales dollars in the United States, as calculated by Information Resources for the 52 weeks ended March 21, 2010.

(4) "ACV" refers to the All Commodity Volume Food Drug Mass Index, as calculated by Information Resources for the 52 weeks ended March 21, 2010. ACV measures the weighted sales volume of stores that sell a particular product out of all the stores that sell products in that market segment generally. For example, if a product is sold by 50% of the stores that sell products in that market segment, but those stores account for 85% of the sales volume in that market segment, that product would have an ACV of 85%. We believe that a high ACV evidences a product's attractiveness to consumers, as major national and regional retailers will carry products that are attractive to their customers. Lower ACV measures would indicate that a product is not as available to consumers because the major retailers generally would not carry products for which consumer demand may not be as high. For these reasons, we believe that ACV is an important measure for investors to gauge consumer awareness of the Company's product offerings and of the importance of those products to major retailers.

Our products are sold through multiple channels, including mass merchandisers, drug, grocery, dollar and club stores, which reduces our exposure to any single distribution channel.

While we perform the production planning and oversee the quality control aspects of the manufacturing, warehousing and distribution of our products, we outsource the operating elements of these functions to entities that offer expertise in these areas and cost efficiencies due to economies of scale. Our operating model allows us to focus on our marketing programs and product development and innovation, which we believe enables us to achieve attractive margins while minimizing capital expenditures and working capital requirements.

We have developed our brand portfolio through the acquisition of strong and well-recognized brands from larger consumer products and pharmaceutical companies, as well as other brands from smaller private companies. While the brands we have purchased from larger consumer products and pharmaceutical companies have long histories of support and brand development, we believe that at the time we acquired them they were considered "non-core" by their previous owners. Consequently, they did not benefit from the focus of senior level personnel or strong marketing support. We also believe that the brands we have purchased from smaller private companies were constrained by the limited financial resources of their prior owners. After adding a brand to our portfolio, we seek to increase its sales, market share and distribution in both new and existing channels through our established retail distribution network. We pursue this growth through increased advertising and promotion, new sales and marketing strategies, improved packaging and formulations and innovative new products. Our business, business model and the following competitive strengths and growth strategy, however, face various risks that are described in "Risk Factors" in Part I, Item 1A of this Annual Report on Form 10-K.

Competitive Strengths

Diversified Portfolio of Well-Recognized and Established Consumer Brands

We own and market well-recognized consumer brands, many of which were established over 60 years ago. Our diverse portfolio of products provides us with multiple sources of growth and minimizes our reliance on any one product or category. We provide significant marketing support to our key brands that is designed to enhance our sales growth and our long-term profitability. The markets in which we sell our products, however, are highly competitive and include numerous national and global manufacturers, distributors, marketers and retailers. Many of these competitors have greater research and development and financial resources than us and may be able to spend more aggressively on advertising and marketing and research and development, which may have an adverse effect on our competitive position.

Strong Competitor in Attractive Categories

We compete in product categories that address recurring consumer needs. We believe we are well positioned in these categories due to the long history and consumer awareness of our brands, our strong market positions and our low-cost operating model. However, a significant increase in the number of product introductions or increased advertising, marketing and trade support by our competitors in these markets could have a material adverse effect on our business, financial condition and results from operations.

Proven Ability to Develop and Introduce New Products

We focus our marketing and product development efforts on the identification of underserved consumer needs, the design of products that directly address those needs and the ability to extend our highly recognizable brand names to other products. Demonstrative of this philosophy, in 2010 we introduced, under our *Little Remedies* pediatric product line, two new products called Sore Throat Relief and Mucus Relief and restaged our entire *Chloraseptic* lozenge product line with a new soothing liquid center formula. In addition, our *Clear Eyes* product line added the benefit claim of up to 8 hour soothing comfort on the packaging. In 2009, we introduced *Chloraseptic* Allergen Block and *Little Allergies* Allergen Block, patented topical gels that help block allergens on contact at the nose to help prevent allergic symptoms, such as runny nose, sneezing and nasal congestion. These product introductions followed 2008 when we introduced *Comet* Mildew SprayGel, a high viscosity mildew stain remover spray. During 2008, we also restaged *Clear Eyes* for Dry Eyes ACR Relief as *Clear Eyes* for Itchy Eyes to address the needs of allergy sufferers. Although line extensions and new product introductions are important to the overall growth of a brand, our efforts may reduce sales of existing products within that brand. In addition, certain of our product introductions may not be successful and may be discontinued.

Efficient Operating Model

To gain operating efficiencies, we directly manage the production planning and quality control aspects of the manufacturing, warehousing and distribution of our products, while we outsource the operating elements of these functions to well-established third-party providers. This approach allows us to benefit from their core competencies and maintain a highly variable cost structure, with low overhead, limited working capital requirements and minimal investment in capital expenditures as evidenced by the following:

	Gross Profit %	G&A % To Total Revenues	CapEx % To Total Revenues
2010	52.1	11.3	0.2
2009	52.4	10.5	0.2
2008	51.8	10.0	0.2

On October 29, 2009, we divested our three shampoo brands- *Denorex*, *Prell* and *Zincon.* (See Note 2 to our consolidated financial statements.) As a result of the divestiture, the shampoo brands are presented as discontinued operations in the Consolidated Financial Statements for all periods presented. Unless otherwise noted, the Annual Report on Form 10-K relates only to results from continuing operations.

In 2010, our gross profit decreased 30 basis points due to unfavorable product mix and transition costs associated with transferring manufacturing in one of our household product lines to a new supplier. In 2009, our gross profit increased 60 basis points due to our ongoing efforts to reduce our supply chain costs, a favorable sales mix, and the absence of the voluntary withdrawal costs incurred in 2008. During 2008, our gross profit was adversely affected by the inventory costs associated with the voluntary withdrawal from the marketplace of two medicated pediatric cough and cold products marketed under the *Little Remedies* brand as part of an industry-wide withdrawal of certain medicated pediatric cough and cold products. General and Administrative costs, as a percentage of total revenues, increased 80 basis points in 2010 versus 2009 as a result of the severance and related expenses associated with the August 2009 reduction in force and the CEO transition in September 2009, and an increase in incentive compensation as a result of our achieving 2010 performance targets. In 2009, our general and administrative expenses increased as a percentage of total revenues as a result of the $11.9 million or 3.8% reduction of total revenues for 2009 versus 2008. Our operating model, however, requires us to depend on third-party providers for manufacturing and logistics services. The inability or unwillingness of our third-party providers to supply or ship our products could have a material adverse effect on our business, financial condition and results from operations.

Management Team with Proven Ability to Acquire, Integrate and Grow Brands

Our business has grown through acquisition, integration and expansion of the many brands we have purchased. Our management team has significant experience in consumer product marketing, sales, legal and regulatory compliance, product development and customer service. Unlike many larger consumer products companies which we believe often entrust their smaller brands to successive junior employees, we dedicate experienced managers to specific brands. Since the Company has approximately 87 employees, we seek more experienced personnel to bear the substantial responsibility of brand management and effectuate our growth strategy. These managers nurture the brands as they grow and evolve.

Growth Strategy

In order to continue to enhance our brands and drive growth we focus our growth strategy on our core competencies:

- Effective Marketing and Advertising,
- Sales Excellence,
- Extraordinary Customer Service, and
- Innovation and Product Development.

We execute this strategy through:

- ***Investments in Advertising and Promotion***

We invest in advertising and promotion to drive the growth of our key brands. Our marketing strategy is focused primarily on consumer-oriented programs that include media advertising, targeted coupon programs and in-store advertising. While the absolute level of marketing expenditures differs by brand and category, we have often increased the amount of investment in our brands after acquiring them. For example, in 2010 and 2009, we spent heavily to support the launch of our innovative Allergen Block products introduced under the *Chloraseptic* and *Little Remedies* brands. In 2008, a very active year, we advertised and promoted the introduction of *Comet* Mildew SprayGel and *Murine Earigate*. Given the competition in our industry and the contraction of the U.S. economy, there is a risk that our marketing efforts may not result in increased sales and profitability. Additionally, no assurance can be given that we can maintain these increased sales and profitability levels once attained.

- ***Growing our Categories and Market Share with Innovative New Products***

One of our strategies is to broaden the categories in which we participate and increase our share within those categories through ongoing product innovation. In 2010, we introduced *Little Remedies* Sore Throat Relief and Mucus Relief and restaged the *Chloraseptic* solid lozenge product line to a soothing liquid center lozenge. In addition, our *Clear Eyes* product line added the benefit claim of up to 8 hours of soothing comfort to the packaging. In 2009, we introduced the *Chloraseptic* and *Little Allergies* Allergen Block products which occupy unique positions in the allergy relief category. In 2008, we launched *Comet* Mildew SprayGel, an innovative new product to address specific needs and capitalize on the consumer awareness of the *Comet* brand. While there is always a risk that sales of existing products may be reduced by new product introductions, our goal is to grow the overall sales of our brands.

- ***Increasing Distribution Across Multiple Channels***

Our broad distribution base ensures that our products are well positioned across all available channels and that we are able to participate in changing consumer retail trends. To ensure continued sales growth, we have altered our focus and have expanded our reliance on a direct sales while reducing our reliance on brokers. This philosophy allows us to better:

  - Know our customer,
  - Service our customer, and
  - Support our customer.

While we make great efforts to both maintain our customer base and grow in new markets, there is a risk that we may not be able to maintain or enhance our relationships across distribution channels, which could adversely impact our sales, business, financial condition and results from operations.

· ***Growing Our International Business***

International sales beyond the borders of North America represented 4.2%, 3.6% and 4.1% of revenues in 2010, 2009, and 2008, respectively. We have designed and developed both product and packaging for specific international markets and expect that our international revenues will grow as a percentage of total revenues. In addition to *Clear Eyes*, *Murine* and *Chloraseptic*, which are currently sold internationally, we license The Procter & Gamble Company ("Procter & Gamble") to market the *Comet* brand in Eastern Europe. Since a number of our other brands have previously been sold internationally, we seek to expand the number of brands sold through our existing international distribution network and continue to identify additional distribution partners for further expansion into other international markets.

· ***Pursuing Strategic Acquisitions***

Our management team intends that acquisitions be a part of our overall strategy of growing revenue. We have a history of growth through acquisition (see Our History and Accomplishments below) with the last purchase being the 2007 acquisition of the *Wartner* brand of over-the-counter wart treatment products. While we believe that there will continue to be a pipeline of acquisition candidates for us to investigate, strategic fit and relative cost are of the utmost importance in our decision to pursue such opportunities. We believe our business model allows us to integrate any future acquisitions in an efficient manner, while also providing opportunities to realize significant cost savings. However, there is a risk that our operating results could be adversely affected in the event we do not realize all of the anticipated operating synergies and cost savings from future acquisitions, we do not successfully integrate such acquisitions or we pay too much for these acquisitions. In 2010, we refinanced our long-term debt and significantly improved our liquidity position, debt maturities and covenants, all of which better position us to pursue acquisition targets.

Market Position

During 2010, approximately 77.0% of our net revenues were from brands with a number one or number two market position, compared with approximately 83.3% and 80.9% during 2009 and 2008, respectively. Such brands include *Chloraseptic*, *Clear Eyes*, *Chore Boy*, *Comet*, *Compound W*, *Cutex*, *The Doctor's* and *New-Skin*.

See the "Business" section on page 1 of this document for information regarding market share and ACV calculations.

Our History and Accomplishments

We were originally formed in 1996 as a joint venture of Medtech Labs and The Shansby Group (a private equity firm), to acquire certain over-the-counter drug brands from American Home Products. Since 2001, our portfolio of brand name products has expanded from over-the-counter healthcare to include household cleaning and personal care products. We have added brands to our portfolio principally by acquiring strong and well-recognized brands from larger consumer products and pharmaceutical companies. In February 2004, GTCR Golder Rauner II, LLC ("GTCR"), a private equity firm, acquired our business from the owners of Medtech Labs and The Shansby Group. In addition, we acquired the *Spic and Span* business in March 2004.

In April 2004, we acquired Bonita Bay Holdings, Inc., the parent holding company of Prestige Brands International, Inc., which conducted its business under the "Prestige" name. After we completed the Bonita Bay acquisition, we began to conduct our business under the "Prestige" name as well. The Bonita Bay brand portfolio included *Chloraseptic*, *Comet*, *Clear Eyes* and *Murine*.

In October 2004, we acquired the *Little Remedies* brand of pediatric over-the-counter healthcare products through our purchase of Vetco, Inc. Products offered under the *Little Remedies* brand include *Little Noses*® nasal products, *Little Tummys*® digestive health products, *Little Colds*® cough/cold remedies and *Little Remedies* New Parents Survival Kits. The *Little Remedies* products deliver relief from common childhood ailments without unnecessary additives such as saccharin, alcohol, artificial flavors, coloring dyes or harmful preservatives.

In February 2005, we raised $448.0 million through an initial public offering of 28.0 million shares of common stock. We used the net proceeds of the offering ($416.8 million), plus $3.0 million from our revolving credit facility and $8.8 million of cash on hand to (i) repay $100.0 million of our existing senior indebtedness, (ii) redeem $84.0 million in aggregate principal amount of our existing 9 1/4% senior subordinated notes, (iii) repurchase an aggregate of 4.7 million shares of our common stock held by the investment funds affiliated with GTCR and TCW/Crescent Mezzanine, LLC ("TWC/Crescent") for $30.2 million, and (iv) redeem all outstanding senior preferred units and class B preferred units of one of our subsidiaries for $199.8 million.

In October 2005, we acquired the *Chore Boy* brand of metal cleaning pads, scrubbing sponges, and non-metal soap pads. The brand has over 84 years of history in the scouring pad and cleaning accessories categories.

In November 2005, we acquired Dental Concepts LLC ("Dental Concepts"), a marketer of therapeutic oral care products sold under *The Doctor's* brand. The business is driven primarily by two niche segments, bruxism (nighttime teeth grinding) and interdental cleaning. Products marketed under *The Doctor's* brand include *The Doctor's NightGuard* Dental Protector, the first Food and Drug Administration ("FDA") cleared over-the-counter treatment for bruxism, and *The Doctor's BrushPicks*, disposable interdental toothpicks.

In September 2006, we acquired Wartner USA B.V. ("Wartner"), the owner of the *Wartner* brand of over-the-counter wart treatment products. The Company expects that the *Wartner* brand, which is the number three brand in the United States over-the-counter wart treatment category, will continue to enhance the Company's market position in the category, complementing *Compound W*.

On October 28, 2009, we sold our three shampoo brands - *Prell* Shampoo, *Denorex* Dandruff Shampoo and *Zincon* Dandruff Shampoo from the Personal Care segment. The terms of the sale included an upfront payment of $8.0 million in cash, with a subsequent payment of $1.0 million due on October 28, 2010. We used the proceeds from the sale to reduce outstanding bank indebtedness.

Although we did not make any strategic acquisitions in 2008, 2009 or 2010, in March 2010 we refinanced our outstanding long-term indebtedness through entry into a $150 million senior term loan facility due April 1, 2016, and the issuance of $150 million in senior notes with an 8.25% interest rate due 2018. Proceeds from the new indebtedness were used to retire our senior term loan facility due April 1, 2011 and 9.25% senior subordinated notes due April 15, 2012. Additionally, our new credit agreement included a $30 million revolving credit facility due April 1, 2015. The refinancing and new credit facility improved the Company's liquidity, extended maturities and improved covenant ratios, all of which better position us to pursue strategic acquisitions.

Products

We conduct our operations through three principal business segments:

- Over-the-Counter Healthcare,
- Household Cleaning, and
- Personal Care.

Over-the-Counter Healthcare Segment

Our portfolio of Over-the-Counter Healthcare products consists primarily of *Clear Eyes*, *Murine*, *Chloraseptic*, *Compound W*, *Wartner*, the *Little Remedies* line of pediatric healthcare products, *The Doctor's* brand of oral care products and first aid products such as *New-Skin* and *Dermoplast*. Our other brands in this category include *Percogesic*®, *Freezone*®, *Mosco*®, *Outgro*®, *Sleep-Eze*® and *Compoz*®. In 2010, the Over-the-Counter Healthcare segment accounted for 59.8% of our net revenues compared to 58.4% and 58.3% in 2009 and 2008, respectively.

Clear Eyes
Clear Eyes, with an ACV of 88.0%, has been marketed as an effective eye care product that helps take redness away and helps moisturize the eye. *Clear Eyes* is among the leading brands in the over-the-counter personal eye care category. The 0.5 oz. size of *Clear Eyes* redness relief eye drops is the number two selling product in the eye allergy redness relief category and *Clear Eyes* is the number two brand in that category with 16.0% market share.

Murine
Murine products consist of lubricating, soothing eye drops and ear wax removal aids. *Murine* has been on store shelves for over 100 years and is the number three brand in the over-the-counter ear care category with a market share of 12.3%.

Chloraseptic
Chloraseptic was originally developed by a dentist in 1957 to relieve sore throats and mouth pain. *Chloraseptic's* 6 oz. cherry liquid sore throat spray is the number one selling product in the sore throat liquids/sprays segment. The *Chloraseptic* brand has an ACV of 93.9% and is number one in sore throat liquids/sprays with a 49.8% market share.

Compound W
Compound W has a long heritage; its wart removal products having been introduced almost 50 years ago. *Compound W* products are specially designed to provide relief from common and plantar warts and are sold in multiple forms of treatment depending on the consumer's need, including Fast-Acting Liquid, Fast-Acting Gel, One Step Pads for Kids, One Step Pads for Adults and Freeze Off ®, a cryogenic-based wart removal system. We believe that *Compound W* is one of the most trusted names in wart removal.

Compound W is the number two wart removal brand in the United States with a 32.9% market share and an ACV of 89.8%.

Wartner
Wartner is the number three brand in the United States in the wart removal category with a 4.8% share of the cryogenic segment and an ACV of 23.2%.

The Doctor's
The Doctor's is a line of products designed to help consumers that are highly motivated to maintain good oral hygiene in between dental office visits. The product line was part of the 2006 acquisition of Dental Concepts. The market is driven primarily by two niche segments, bruxism (nighttime teeth grinding) and interdental cleaning. *The Doctor's NightGuard* dental protector was the first FDA cleared over-the-counter treatment for bruxism.

Little Remedies
Little Remedies is a full line of pediatric over-the-counter products that contain no alcohol, saccharin, artificial flavors or coloring dyes including: (i) *Little Noses*, a product line consisting of an assortment of saline products, including a Saline Mist spray, (ii) *Little Colds*, a product line consisting of a multi-symptom cold relief formula, sore throat relief products, a cough relief formula, a decongestant and a combined decongestant plus cough relief formula, (iii) *Little Tummys*, a product line consisting of gas relief drops, laxative drops, as well as gripe water, an herbal supplement used to ease discomfort often associated with colic and hiccups, and (iv) *Little Teethers*, a product line offering teething relief.

New-Skin
New-Skin, believed to have originated over 100 years ago, consists of liquid bandages that are designed to replace traditional bandages in an effective and easy to use form for the protection of small cuts and scrapes. *New-Skin* competes in the liquid bandage segment of the first aid bandage category where it has a 54.4% market share and a 84.0% ACV.

Dermoplast
Dermoplast is an aerosol spray anesthetic for minor topical pain that was traditionally a "hospital-only" brand dispensed to mothers after giving birth. The primary use in hospitals is for post-episiotomy pain, post-partum hemorrhoid pain, and for the relief of female genital itching.

With the introduction of retail versions of the product, *Dermoplast* offers sanitary, convenient first-aid relief for pain and itching from minor skin irritations, including sunburn, insect bites, minor cuts, scrapes and burns to a much larger audience.

Household Cleaning Segment

Our portfolio of household cleaning brands includes the *Comet*, *Chore Boy and Spic and Span* brands. During 2010, the Household Cleaning segment accounted for 36.6% of our revenues, compared with 38.3% and 38.4% in 2009 and 2008, respectively.

Comet
Comet was originally introduced in 1956 and is one of the most widely recognized household cleaning brands, with an ACV of 98.5%. *Comet* competes in the abrasive and non-abrasive tub and tile cleaner sub-category of the household cleaning category that includes abrasive powders, creams, liquids and non-abrasive sprays. *Comet* products include several varieties of cleaning powders, spray and cream, both abrasive and non-abrasive.

Chore Boy
Chore Boy scrubbing pads and sponges were initially launched in the 1920's. Over the years the line has grown to include metal and non-metal scrubbers that are used for a variety of household cleaning tasks. *Chore Boy* products are currently sold in food and drug stores, mass merchandisers, and in hardware and convenience stores.

Spic and Span
Spic and Span was introduced in 1925 and is marketed as the complete home cleaner with three product lines consisting of (i) dilutables, (ii) an anti-bacterial hard surface spray for counter tops and (iii) glass cleaners. Each of these products can be used for multi-room and multi-surface cleaning.

Personal Care Segment

Our major personal care brand is *Cutex* nail products. The Personal Care segment accounted for 3.6% of our revenues in 2010 compared with 3.3% in 2009 and 2008.

Cutex
Cutex is the leading branded nail polish remover, with a 24.2% share of market. *Cutex*, with an ACV of 76.6%, has products in two main categories: (i) liquids and (ii) convenience implements, including pads, pump action bottles, and manicure correction pens. *Cutex's* main competition comes from a number of private label brands, which collectively have a 58.7% market share.

For additional information concerning our business segments, please refer to Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operation and Note 18 to the Consolidated Financial Statements included elsewhere in this Annual Report on Form 10-K.

Marketing and Sales

Our marketing strategy is based upon the acquisition and the rejuvenation of established consumer brands that possess what we believe to be significant brand value and unrealized potential. Our marketing objective is to increase sales and market share by developing innovative new products and line extensions and executing professionally designed, creative and cost-effective advertising and promotional programs. After we acquire a brand, we implement a brand building strategy that uses the brand's existing consumer awareness to maximize sales of current products and provides a vehicle to drive growth through product innovation. This brand building process involves the evaluation of the existing brand name, the development and introduction of innovative new products and the execution of professionally designed support programs. Recognizing that financial resources are limited, we allocate our resources to focus on those brands that we believe have the greatest opportunities for growth and financial success. Brand priorities vary from year-to-year and generally revolve around new product introductions.

Customers

Our senior management team and dedicated sales force strive to maintain long-standing relationships with our top 50 domestic customers, which accounted for approximately 79.8% of our combined gross sales for 2010 and 80.9% and 80.0% for 2009 and 2008, respectively. Our sales management team has grown to 18 people in order to focus on our key customer relationships. We also contract with third-party sales management enterprises that interface directly with our remaining customers and report directly to members of our sales management team.

We enjoy broad distribution across each of the major retail channels, including mass merchandisers, drug, food, dollar and club stores. The following table sets forth the percentage of gross sales across our five major distribution channels during the three-year period ended March 31, 2010:

	Percentage of Gross Sales(1)		
Channel of Distribution	**2010**	**2009**	**2008**
Mass	33.5%	35.0%	32.6%
Food	23.2	23.2	24.3
Drug	25.5	25.9	27.7
Dollar	10.0	8.7	7.4
Club	2.4	2.4	2.6
Other	5.4	4.8	5.4

(1) Includes estimates for some of our wholesale customers that service more than one distribution channel.

Due to the diversity of our product line, we believe that each of these channels is important to our business and we continue to seek opportunities for growth in each channel.

Our principal customer relationships include Wal-Mart, Walgreens, CVS, Target and Dollar Tree. Sales to our top five and ten customers accounted for 45.5% and 57.5% of total gross sales, respectively, in 2010 compared with approximately 47.3% and 58.7%, respectively, in 2009 and approximately 45.5% and 56.7%, respectively, in 2008. No single customer other than Wal-Mart accounted for more than 10% of our gross sales in any of those years and none of our other top five customers accounted for less than 3% of our gross sales in any of those years.

Our strong customer relationships and product recognition provide us with a number of important benefits including (i) minimization of slotting fees, (ii) maximization of new product introductions, (iii) maximization of shelf space prominence and (iv) minimization of cash collection days. We believe that management's emphasis on strong customer relationships, speed and flexibility and leading sales technology capabilities, combined with consistent marketing support programs and ongoing product innovation, will continue to maximize our competitiveness in the increasingly complex retail environment.

The following table sets forth a list of our primary distribution channels and our principal customers for each channel:

Distribution Channel	Customers	Distribution Channel	Customers
Mass	Kmart	***Drug***	CVS
	Meijer		Rite Aid
	Target		Walgreens
	Wal-Mart		
		Dollar	Dollar General
Food	Ahold		Dollar Tree
	Kroger		Family Dollar
	Publix		
	Safeway	***Club***	BJ's Wholesale Club
	Supervalu		Costco
			Sam's Club

Outsourcing and Manufacturing

In order to maximize our competitiveness and efficiently allocate our resources, third-party manufacturers fulfill all of our manufacturing needs. We have found that contract manufacturing maximizes our flexibility and responsiveness to industry and consumer trends while minimizing the need for capital expenditures. We select contract manufacturers based on their core competencies and our perception of the best overall value, including factors such as (i) depth of services, (ii) professionalism and integrity of the management team, (iii) manufacturing flexibility, (iv) regulatory compliance and (v) competitive pricing. We also conduct thorough reviews of each potential manufacturer's facilities, quality standards, capacity and financial stability. We generally purchase only finished products from our manufacturers.

Our primary contract manufacturers provide comprehensive services from product development through the manufacturing of finished goods. They are responsible for such matters as (i) production planning, (ii) product research and development, (iii) procurement, (iv) production, (v) quality testing, and (vi) almost all capital expenditures. In most instances, we provide our contract manufacturers with guidance in the areas of (i) product development, (ii) performance criteria, (iii) regulatory guidance, (iv) sourcing of packaging materials and (v) monthly master production schedules. This management approach results in minimal capital expenditures and maximizes our cash flow, which is reinvested to support our marketing initiatives, used to fund brand acquisitions or to repay outstanding indebtedness.

At March 31, 2010, we had relationships with over 40 third-party manufacturers. Of those, we had long-term contracts with 20 manufacturers that produced items that accounted for approximately 68.7% of our gross sales for 2010 compared to 18 manufacturers with long-term contracts that produced approximately 64.0% of gross sales in 2009. The fact that we do not have long-term contracts with certain manufacturers means that they could cease manufacturing these products at any time and for any reason, or initiate arbitrary and costly price increases which could have a material adverse effect on our business, financial condition and results from operations.

At March 31, 2010, suppliers for our key brands included (i) Fitzpatrick Bros. Inc., (ii) Procter & Gamble, (iii) Access Business Group, (iv) Aspen Pharmacare and (v) Altaire Pharmaceuticals, Inc. We enter into manufacturing agreements for a majority of our products by sales volume, each of which vary based on the capabilities of the third-party manufacturer and the products being supplied. These agreements explicitly outline the manufacturer's obligations and product specifications with respect to the brand or brands being produced. The purchase price of products under these agreements is subject to change pursuant to the terms of these agreements due to fluctuations in raw material, packaging and labor costs. All of our other products are manufactured on a purchase order basis which is generally based on batch sizes and results in no long-term obligations or commitments.

Warehousing and Distribution

We receive orders from retailers and/or brokers primarily by electronic data interchange, which automatically enters each order into our computer systems and then routes the order to our distribution center. The distribution center will, in turn, send a confirmation that the order was received, fill the order and ship the order to the customer, while sending a shipment confirmation to us. Upon receipt of the confirmation, we send an invoice to the customer.

We manage product distribution in the mainland United States primarily through one facility located in St. Louis, owned and operated by The Jacobson Companies ("Jacobson"). Jacobson provides warehouse services, including without limitation, storage, handling and shipping with respect to our full line of products, as well as transportation services, including without limitation, (i) complete management services, (ii) claims administration, (iii) proof of delivery, (iv) procurement, (v) report generation, and (vi) automation and freight payment services with respect to our full line of products.

If Jacobson abruptly stopped providing warehousing or transportation services to us, our business operations could suffer a temporary disruption while new service providers are engaged. We believe this process could be completed quickly and any temporary disruption resulting therefrom would not be likely to have a significant effect on our operating results and financial condition. However, a serious disruption, such as a flood or fire, to our distribution center could damage our inventory and could materially impair our ability to distribute our products to customers in a timely manner or at a reasonable cost. We could incur significantly higher costs and experience longer lead times associated with the distribution of our products to our customers during the time required to reopen or replace our distribution center. As a result, any such serious or prolonged disruption could have a material adverse effect on our business, financial condition and results from operations.

Competition

The business of selling brand name consumer products in the over-the-counter healthcare, household cleaning and personal care categories is highly competitive. These markets include numerous national and global manufacturers, distributors, marketers and retailers that actively compete for consumers' business both in the United States and abroad. Many of these competitors are larger and have substantially greater research and development and financial resources than we do. Consequently, they may have the ability to spend more aggressively on advertising and marketing and research and development, and to respond more effectively to changing business and economic conditions. If this were to occur, our sales, operating results and profitability could be adversely affected. In addition, we are experiencing increased competition from so called "private label" products introduced by major retail chains. While we believe that our branded products provide superior quality and benefits, we are unable to predict whether consumers will continue to purchase "private label" products at increasing rates after the conclusion of the current economic downturn.

Our principal competitors vary by industry category. Competitors in the over-the-counter healthcare category include Johnson & Johnson, maker of *Visine*®, which competes with our *Clear Eyes* and *Murine* brands; McNeil-PPC, maker of *Tylenol*® Sore Throat, Procter & Gamble, maker of *Vicks*®, and Combe Incorporated, maker of *Cepacol*®, each of which compete with our *Chloraseptic* brand. Other competitors in the over-the-counter healthcare category include Schering-Plough, maker of *Dr. Scholl's*®, which competes with our *Compound W* and *Wartner* brands; GlaxoSmithKline, maker of *Debrox*®, which competes with our *Murine* ear care brand; Sunstar America, Inc., maker of *GUM*® line of oral care products; as well as DenTek® Oral Care, Inc., which markets a dental protector for nighttime teeth grinding and interdental toothpicks, which compete with *The Doctor's NightGuard* Dental Protector and *The Doctor's Brushpicks*, respectively.

Competitors in the household cleaning category include Henkel AG & Co., maker of *Soft Scrub*®, Colgate-Palmolive Company, maker of Ajax Cleanser, and The Clorox Company, maker of *Tilex*®, each of which competes with our *Comet* brand. Additionally, Clorox's *Pine Sol*® and Procter & Gamble's *Mr. Clean*® compete with our *Spic and Span* brand while 3M Company, maker of *Scotch-Brite*®, *O-Cel-O*® and *Dobie*® brands, and Clorox's *SOS*®, compete with our *Chore Boy* brand.

Competitors in the personal care category include Coty, Inc., maker of *Sally Hansen*®, which competes with our *Cutex* brand.

We compete on the basis of numerous factors, including brand recognition, product quality, performance, price and product availability at the retail level. Advertising, promotion, merchandising and packaging, the timing of new product introductions and line extensions also have a significant impact on customers' buying decisions and, as a result, on our sales. The structure and quality of our sales force, as well as sell-through of our products, affects in-store position, wall display space and inventory levels in retail outlets. If we are unable to maintain the inventory levels and in-store positioning of our products in retail stores, our sales and operating results will be adversely affected. Our markets are also highly sensitive to the introduction of new products, which may rapidly capture a significant share of the market. An increase in the amount of product introductions and the levels of advertising spending by our competitors could have a material adverse effect on our business, financial condition and results from operations.

Regulation

Product Regulation

The formulation, manufacturing, packaging, labeling, distribution, importation, sale and storage of our products are subject to extensive regulation by various federal agencies, including the FDA, the Federal Trade Commission ("FTC"), the Consumer Product Safety Commission ("CPSC"), the Environmental Protection Agency ("EPA"), and by various agencies of the states, localities and foreign countries in which our products are manufactured, distributed and sold. Our Regulatory Team is guided by a senior member of management and staffed by individuals with appropriate legal and regulatory experience. Our Regulatory and Operations teams work closely with our third-party manufacturers on quality related matters while we monitor their compliance with FDA regulations and perform periodic audits to ensure such compliance. This continual evaluation process ensures that our manufacturing processes and products are of the highest quality and in compliance with all known regulatory requirements. When and if the FDA chooses to audit a particular manufacturing facility, we are required to be notified immediately and updated on the progress of the audit as it proceeds. If we or our manufacturers fail to comply with applicable regulations, we could become subject to significant claims or penalties or be required to discontinue the sale of the non-compliant product, which could have a material adverse effect our business, financial condition and results from operations. In addition, the adoption of new regulations or changes in the interpretations of existing regulations may result in significant additional compliance costs or discontinuation of product sales and may also have a material adverse effect on our business, financial condition and results from operations.

All of our over-the-counter drug products are regulated pursuant to the FDA's monograph system. The monographs set out the active ingredients and labeling indications that are permitted for certain broad categories of over-the-counter drug products. When the FDA has finalized a particular monograph, it has concluded that a properly labeled product formulation is generally recognized as safe and effective and not misbranded. A tentative final monograph indicates that the FDA has not made a final determination about products in a category to establish safety and efficacy for a product and its uses. However, unless there is a serious safety or efficacy issue, the FDA typically will exercise enforcement discretion and permit companies to sell products conforming to a tentative final monograph until the final monograph is published. Products that comply with either final or tentative final monograph standards do not require pre-market approval from the FDA.

Certain of the Company's over-the-counter healthcare products are medical devices which are regulated by the FDA through a system which usually involves pre-market clearance. During the review process, the FDA makes an affirmative determination as to the sufficiency of the label directions, cautions and warnings for the medical devices in question.

In accordance with the Federal Food, Drug and Cosmetic Act ("FDC Act") and FDA regulations, the Company and its drug and device manufacturers must also comply with the FDA's current Good Manufacturing Practices ("cGMPs"). The FDA inspects our facilities and those of our third-party manufacturers periodically to determine that both the Company and our third-party manufacturers are complying with cGMPs.

A number of our products are regulated by the CPSC under the Federal Hazardous Substances Act (the "FHSA"), the Poison Prevention Packaging Act of 1970 (the "PPPA") and the Consumer Products Safety Improvement Act of 2008 (the "CPSIA"). Certain of our household products are considered to be hazardous substances under the FHSA and therefore require specific cautionary warnings to be included in their labeling for such products to be legally marketed. In addition, a small number of our products are subject to regulation under the PPPA and can only be legally marketed if they are dispensed in child-resistant packaging or labeled for use in households where there are no children. The CPSIA requires us to make available to our customers certificates stating that we are in compliance with any applicable regulation administered by the CPSC.

Certain of our household cleaning products are considered pesticides under the Federal Insecticide, Fungicide and Rodenticide Act ("FIFRA"). Generally speaking, any substance intended for preventing, destroying, repelling, or mitigating any pest is considered to be a pesticide under FIFRA. We market and distribute certain household products under our *Comet* and *Spic and Span* brands which make antibacterial and/or disinfectant claims. Due to the antibacterial and/or disinfectant claims on certain of the *Comet* and *Spic and Span* products, such products are considered to be pesticides under FIFRA and are required to be registered with the EPA and contain certain disclosures on the product labels. In addition, the contract manufacturers from which we source these products must be registered with the EPA. Our *Comet* and *Spic and Span* products that make antibacterial and/or disinfectant claims are also subject to state regulations and the rules and regulations of the various jurisdictions where these products are sold.

Other Regulations

We are also subject to a variety of other regulations in various foreign markets, including regulations pertaining to import/export regulations and antitrust issues. To the extent we decide to commence or expand operations in additional countries, we may be required to obtain an approval, license or certification from the country's ministry of health or comparable agency. We must also comply with product labeling and packaging regulations that may vary from country-to-country. Government regulations in both our domestic and international markets can delay or prevent the introduction, or require the reformulation or withdrawal, of some of our products. Our failure to comply with these regulations can result in a product being removed from sale in a particular market, either temporarily or permanently. In addition, we are subject to FTC and state regulations, as well as foreign regulations, relating to our product claims and advertising. If we fail to comply with these regulations, we could be subject to enforcement actions and the imposition of penalties which could have a material adverse effect on our business, financial condition and results from operations.

Intellectual Property

We own a number of trademark registrations and applications in the United States, Canada and other foreign countries. The following are some of the most important registered trademarks we own in the United States and/or Canada: *Chloraseptic, Chore Boy, Clear Eyes, Cinch, Comet, Compound W, Freeze Off, Cutex, The Doctor's Brushpicks, The Doctor's NightGuard, Dermoplast, Little Remedies, Longlast®, Momentum®, Murine, New-Skin, Percogesic®, Spic and Span and Wartner.*

Our trademarks and trade names are how we convey that the products we sell are "brand name" products. Our ownership of these trademarks and trade names is very important to our business as it allows us to compete based on the value and goodwill associated with these marks. We may also license others to use these marks. Additionally, we own or license patents on innovative and proprietary technology. Such patents evidence the unique nature of our products, provide us with exclusivity and afford us protection from the encroachment of others. None of our patents that we own or license, however, is material to us on a consolidated basis. Enforcing our rights, or the rights of any of our licensors, represented by these trademarks, trade names and patents is critical to our business, but is expensive. If we are not able to effectively enforce our rights, others may be able to dilute our trademarks, trade names and patents and diminish the value associated with our brands and technologies, which could have a material adverse effect on our business, financial condition and results from operations.

We do not own all of the intellectual property rights applicable to our products. In those cases where our third-party manufacturers own patents that protect our products, we are dependent on them as a source of supply for our products. Unless other non-infringing technologies are available, we must continue to purchase patented products from our suppliers who sell patented products to us. In addition, we rely on our suppliers for their enforcement of their intellectual property rights against infringing products.

We have licensed to Procter & Gamble the right to use the *Comet, Spic and Span* and *Chlorinol*® trademarks in the commercial/institutional/industrial segment in the United States and Canada until 2019. We have also licensed to Procter & Gamble the *Comet* and *Chlorinol* brands in Russia and specified Eastern European countries until 2015.

Seasonality

The first quarter of our fiscal year typically has the lowest level of revenue due to the seasonal nature of certain of our brands relative to the summer and winter months. In addition, the first quarter is the least profitable quarter due to the increased advertising and promotional spending to support those brands with a summer selling season, such as *Clear Eyes* products, *Compound W*, *Wartner* and *New-Skin*. The increased level of advertising and promotional campaigns in the third quarter influence sales of *Chloraseptic* and *Little Remedies* cough/cold products during the fourth quarter cough/cold winter months. Additionally, the fourth quarter typically has the lowest level of advertising and promotional spending as a percent of revenue.

Employees

We employed 87 full time individuals and two part time individuals at March 31, 2010. None of our employees is a party to a collective bargaining agreement. Management believes that its relations with its employees are good.

Backlog Orders

The Company had no backlog orders at March 31, 2009 or 2010.

Available Information

Our Internet address is www.prestigebrandsinc.com. We make available free of charge on or through our Internet website our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports, and the Proxy Statement for our annual stockholders' meetings, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (the "SEC"). The information found on our website shall not be deemed incorporated by reference by any general statement incorporating by reference this Annual Report on Form 10-K into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and shall not otherwise be deemed filed under such Acts. Information on our Internet website does not constitute a part of this Annual Report on Form 10-K and is not incorporated herein by reference.

The public may read and copy any materials that we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

We have adopted a Code of Conduct Policy, Code of Ethics for Senior Financial Employees, Complaint Procedures for Accounting and Auditing Matters, Corporate Governance Guidelines, Audit Committee Pre-Approval Policy, and Charters for our Audit, Compensation and Nominating and Governance Committees, as well as a Related Persons Transaction Policy and Stock Ownership Guidelines. We will provide to any person without charge, upon request, a copy of the foregoing materials. Any requests for the foregoing documents from us should be made in writing to:

Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Secretary

We intend to disclose future amendments to the provisions of the foregoing documents, policies and guidelines and waivers therefrom, if any, on our Internet website and/or through the filing of a Current Report on Form 8-K with the SEC to the extent required under the Exchange Act.

ITEM 1A. RISK FACTORS

The high level of competition in our industry, much of which comes from competitors with greater resources, could adversely affect our business, financial condition and results from operations.

The business of selling brand name consumer products in the over-the-counter healthcare, household cleaning and personal care categories is highly competitive. These markets include numerous manufacturers, distributors, marketers and retailers that actively compete for consumers' business both in the United States and abroad. Many of these competitors are larger and have substantially greater resources than we do, and may therefore have the ability to spend more aggressively on research and development, advertising and marketing, and to respond more effectively to changing business and economic conditions. If this were to occur, it could have a material adverse effect on our business, financial condition and results from operations.

Certain of our product lines that account for a large percentage of our sales have a small market share relative to our competitors. For example, while *Clear Eyes* has a number two market share position of 16.0% within the allergy/redness eye drop segment, its top competitor, *Visine*®, has a market share of 34.7% in the same segment. In contrast, certain of our brands with number two market positions have a similar market share relative to our competitors. For example, *Compound W* has a number two market position of 32.9% and its top competitor, *Dr. Scholl's*, has a market position of 42.5% in the same category. Also, while *Cutex* is the number one brand name nail polish remover with a market share of 24.2%, non-branded, private label nail polish removers account, in the aggregate, for 58.7% of the market. Finally, while our *New-Skin* liquid bandage product has a number one market position of 54.4%, the size of the liquid bandage market is relatively small, particularly when compared to the much larger bandage category. See "Part I, Item 1. Business" section on page 1 of this Annual Report on Form 10-K for information regarding market share calculations.

We compete for customers' attention based on a number of factors, including brand recognition, product quality, performance, price and product availability at the retail level. Advertising, promotion, merchandising and packaging, the timing of new product introductions and line extensions also have a significant impact on consumer buying decisions and, as a result, on our sales. The structure and quality of our sales force, as well as sell-through of our products affect in-store position, wall display space and inventory levels in retail stores. If we are unable to maintain our current distribution network, inventory levels and in-store positioning of our products at our customers, our sales and operating results will be adversely affected. Our markets also are highly sensitive to the introduction of new products, which may rapidly capture a significant share of the market. An increase in the number of product innovations by our competitors or the failure of a new product launch by the Company could have a material adverse effect on our business, financial condition and results from operations.

In addition, competitors may attempt to gain market share by offering products at prices at or below those typically offered by us. Competitive pricing may require us to reduce prices which may result in lost sales or a reduction of our profit margins. Future price adjustments, product changes or new product introductions by our competitors or our inability to react with price adjustments, product changes or new product introductions of our own could result in a loss of market share which could have a material adverse effect on our business, financial condition and results from operations.

We depend on a limited number of customers with whom we have no long-term agreements for a large portion of our gross sales and the loss of one or more of these customers could reduce our gross sales and have a material adverse effect on our business, financial condition and results of operations.

For 2010, our top five and ten customers accounted for approximately 45.7% and 58.4%, respectively, of our sales, compared with approximately 48.2% and 60.1% and 46.2% and 57.2% during 2009 and 2008, respectively. Wal-Mart, which itself accounted for approximately 24.6%, 25.9% and 23.1% of our sales in 2010, 2009 and 2008, respectively, is our only customer that accounted for 10% or more of our sales. We expect that for future periods, our top five and ten customers, including Wal-Mart, will, in the aggregate, continue to account for a large portion of our sales. The loss of one or more of our top customers, any significant decrease in sales to these customers, or a significant decrease in our retail display space in any of these customers' stores, could reduce our sales and have a material adverse effect on our business, financial condition and results from operations.

In addition, our business is based primarily upon individual sales orders. We typically do not enter into long-term contracts with our customers. Accordingly, our customers could cease buying products from us at any time and for any reason. The fact that we do not have long-term contracts with our customers means that we have no recourse in the event a customer no longer wants to purchase products from us. If a significant number of our smaller customers, or any of our significant customers, elect not to purchase products from us, our business, financial condition and results from operations could be adversely affected.

Our business has been and could continue to be adversely affected by a prolonged recession in the United States.

The economic uncertainty surrounding the current United States recession has affected and could continue to materially affect our business because such economic challenges could adversely affect consumers, our customers and suppliers. Specifically:

- Consumer spending may continue to be curtailed resulting in downward pressure on our sales,
- Our customers may continue to rationalize the number of products that reach store shelves resulting in a reduction of the number of products that are carried at retail, particularly those that are not number one or two in their category,
- Our customers may continue to reduce overall inventory levels to strengthen their working capital positions which could result in additional sales reductions for us during those periods that our customers implement such strategies,
- Our customers may continue to increase the number and breadth of products that are sold via their "private label" to the detriment of our branded products,
- Our customers may continue to rationalize store count, closing additional marginally performing stores resulting in sales reductions, potential working capital reductions, and an inability to repay amounts owed to us, and
- Our suppliers may suffer from sales reductions which could diminish their working capital and impede their ability to provide product to us in a timely manner.

We depend on third-party manufacturers to produce the products we sell. If we are unable to maintain these manufacturing relationships or fail to enter into additional relationships, as necessary, we may be unable to meet customer demand and our sales and profitability could suffer as a result.

All of our products are produced by third-party manufacturers. Our ability to retain our current manufacturing relationships and engage in and successfully transition to new relationships is critical to our ability to deliver quality products to our customers in a timely manner. Without adequate supplies of quality merchandise, sales would decrease materially and our business would suffer. In the event that our primary third-party manufacturers are unable or unwilling to ship products to us in a timely manner, we would have to rely on secondary manufacturing relationships or identify and qualify new manufacturing relationships. We might not be able to identify or qualify such manufacturers for existing or new products in a timely manner and such manufacturers may not allocate sufficient capacity to us in order that we may meet our commitments to customers. In addition, identifying alternative manufacturers without adequate lead times can compromise required product validation and stability protocol, which may involve additional manufacturing expense, delay in production or product disadvantage in the marketplace. The consequences of not securing adequate and timely supplies of merchandise would negatively impact inventory levels, sales and gross margins, and could have a material adverse effect on our business, financial condition and results from operations.

These manufacturers may also increase the cost of the products we purchase which could adversely affect our margins in the event we are unable to pass along these increased costs to our customers. A situation such as this could also have a material adverse effect on our business, financial condition and results from operations.

At March 31, 2010, we had relationships with over 40 third-party manufacturers. Of those, we had long-term contracts with 20 manufacturers that produced items that accounted for approximately 68.7% of our gross sales for 2010 compared to 18 manufacturers with long-term contracts that produced approximately 64.0% of gross sales in 2009. The fact that we do not have long-term contracts with certain manufacturers means that they could cease manufacturing these products at any time and for any reason, or initiate arbitrary and costly price increases which could have a material adverse effect on our business, financial condition and results from operations.

Price increases for raw materials, energy and transportation costs could have an adverse impact on our margins.

Increases in commodity and energy costs in the markets for resins, package materials and diesel fuel could have a significant impact on our 2011 results from operations. Consequently, if the Company is unable to increase the price for its products or continue to achieve cost savings in a rising cost environment, such cost increases could have a material adverse effect on our results from operations.

Disruption in our St. Louis distribution center may prevent us from meeting customer demand and our sales and profitability may suffer as a result.

We manage our product distribution in the continental United States through one primary distribution center in St. Louis, Missouri. A serious disruption, such as a flood or fire, to our primary distribution center could damage our inventory and could materially impair our ability to distribute our products to customers in a timely manner or at a reasonable cost. We could incur significantly higher costs and experience longer lead times during the time required to reopen or replace our primary distribution center. As a result, any serious disruption could have a material adverse effect on our business, financial condition and results from operations.

Achievement of our strategic objectives requires the acquisition, or potentially the disposition, of certain brands or product lines. Efforts to effect and integrate such acquisitions or dispositions may divert our managerial resources away from our business operations.

The majority of our growth has been driven by acquiring other brands and companies. At any given time, we may be engaged in discussions with respect to possible acquisitions that are intended to enhance our product portfolio, enable us to realize cost savings and further diversify our category, customer and channel focus. Our ability to successfully grow through acquisitions depends on our ability to identify, negotiate, complete and integrate suitable acquisition candidates and to obtain any necessary financing. These efforts could divert the attention of our management and key personnel from our business operations. If we complete acquisitions, we may also experience:

- Difficulties achieving, or an inability to achieve, our expected returns,
- Difficulties in integrating any acquired companies, personnel and products into our existing business,
- Delays in realizing the benefits of the acquired company or products,
- Higher costs of integration than we anticipated,
- Difficulties in retaining key employees of the acquired business who are necessary to manage the business,
- Difficulties in maintaining uniform standards, controls, procedures and policies throughout our acquired companies, or
- Adverse customer or shareholder reaction to the acquisition.

In addition, any acquisition could adversely affect our operating results as a result of higher interest costs from the acquisition related debt and higher amortization expenses related to the acquired intangible assets. The diversion of management's attention to pursue acquisitions, or our failure to successfully integrate acquired companies into our business, could have a material adverse effect on our business, financial condition and results from operations.

In the event that we decide to sell a brand or product line, we may encounter difficulty finding, or be unable to find, a buyer on acceptable terms in a timely manner. This could cause a delay in our efforts to achieve our strategic objectives.

Our risks associated with doing business internationally increase as we expand our international footprint.

During 2010, 2009 and 2008, approximately 4.2%, 3.6% and 4.1%, respectively, of our total revenues were attributable to our international business. We generally rely on brokers and distributors for the sale of our products in foreign countries. In addition to the risks associated with political instability, changes in the outlook for economic prosperity in these countries could adversely affect the sales of our products in these countries. Other risks of doing business internationally include:

- Changes in the legislative or regulatory requirements of the countries or regions where we do business,
- Currency controls which restrict or prohibit the payment of funds or the repatriation of earnings to the United States,
- Fluctuating foreign exchange rates could result in unfavorable increases in the price of our products or cause increases in the cost of certain products purchased from our foreign third-party manufacturers,
- Regulatory oversight and its impact on our ability to get products registered for sale in certain markets,
- Potential trade restrictions and exchange controls,
- Inability to protect our intellectual property rights in these markets, and
- Increased costs of compliance with general business and tax regulations in these countries or regions.

Regulatory matters governing our industry could have a significant negative effect on our sales and operating costs.

In both our United States and foreign markets, we are affected by extensive laws, governmental regulations, administrative determinations, court decisions and similar constraints. Such laws, regulations and other constraints exist at the federal, state or local levels in the United States and at analogous levels of government in foreign jurisdictions.

The formulation, manufacturing, packaging, labeling, distribution, importation, sale and storage of our products are subject to extensive regulation by various federal agencies, including (i) the FDA, (ii) the FTC, (iii) the CPSC, (iv) the EPA, and by (v) various agencies of the states, localities and foreign countries in which our products are manufactured, distributed, stored and sold. If we or our third-party manufacturers fail to comply with those regulations, we could become subject to enforcement actions, significant penalties or claims, which could materially adversely affect our business, financial condition and results from operations. In addition, the adoption of new regulations or changes in the interpretations of existing regulations may result in significant compliance costs or the cessation of product sales and may adversely affect the marketing of our products, resulting in a significant loss of revenues which could have a material adverse effect on our business, financial condition and results from operations.

The FDC Act and FDA regulations require that the manufacturing processes of our third-party manufacturers must also comply with the FDA's cGMPs. The FDA inspects our facilities and those of our third-party manufacturers periodically to determine if we and our third-party manufacturers are complying with cGMPs. A history of past compliance is not a guarantee that future cGMPs will not mandate other compliance steps and associated expense.

If we or our third-party manufacturers fail to comply with federal, state, local or foreign regulations, we could be required to:

- Suspend manufacturing operations,
- Modify product formulations or processes,
- Suspend the sale of products with non-complying specifications,
- Initiate product recalls, or
- Change product labeling, packaging or advertising or take other corrective action.

Any of the foregoing actions could have a material adverse effect on our business, financial condition and results from operations.

In addition, our failure to comply with FTC or any other federal and state regulations, or with similar regulations in foreign markets, that cover our product claims and advertising, including direct claims and advertising by us, may result in enforcement actions and imposition of penalties or otherwise materially adversely affect the distribution and sale of our products, which could have a material adverse effect on our business, financial condition and results from operations.

Product liability claims and related negative publicity could adversely affect our sales and operating results.

We may be required to pay for losses or injuries purportedly caused by our products. From time-to-time we have been and may again be subjected to various product liability claims. Claims could be based on allegations that, among other things, our products contain contaminants, include inadequate instructions or warnings regarding their use or inadequate warnings concerning side effects and interactions with other substances. Any product liability claims may result in negative publicity that may adversely affect our sales and operating results. Also, if one of our products is found to be defective we may be required to recall it. This may result in substantial costs and negative publicity which may adversely affect our sales and operating results. Although we maintain, and require our suppliers and third-party manufacturers to maintain, product liability insurance coverage, potential product liability claims may exceed the amount of insurance coverage or potential product liability claims may be excluded under the terms of the policy, which could have a material adverse effect on our business, financial condition and results from operations. In addition, in the future we may not be able to obtain adequate insurance coverage or we may be required to pay higher premiums and accept higher deductibles in order to secure adequate insurance coverage.

If we are unable to protect our intellectual property rights our ability to compete effectively in the market for our products could be negatively impacted.

The market for our products depends to a significant extent upon the goodwill associated with our trademarks, trade names and patents. Our trademarks and trade names convey that the products we sell are “brand name” products. We believe consumers ascribe value to our brands, some of which are over 100 years old. We own or license the material trademark, trade names and patents used in connection with the packaging, marketing and sale of our products. These rights prevent our competitors or new entrants to the market from using our valuable brand names and technologies. Therefore, trademark, trade name and patent protection is critical to our business. Although most of our material intellectual property is registered in the United States and in applicable foreign countries, we may not be successful in asserting protection. If we were to lose the exclusive right to use one or more of our intellectual property rights, the loss of such exclusive right could have a material adverse effect on our business, financial condition and results from operations.

Other parties may infringe on our intellectual property rights and may thereby dilute the value of our brands in the marketplace. Brand dilution or the introduction of competitive brands could cause confusion in the marketplace and adversely affect the value that consumers associate with our brands, and thereby negatively impact our sales. Any such infringement of our intellectual property rights would also likely result in a commitment of our time and resources, financial or otherwise, to protect these rights through litigation or other means. In addition, third parties may assert claims against our intellectual property rights and we may not be able to successfully resolve those claims causing us to lose our ability to use our intellectual property that is the subject of those claims. Such loss could have a material adverse effect on our business, financial condition and results from operations. Furthermore, from time-to-time, we may be involved in litigation in which we are enforcing or defending our intellectual property rights which could require us to incur substantial fees and expenses and have a material adverse effect on our business, financial condition and results from operations.

We license certain of our trademarks to third party licensees, who are bound by their respective license agreement to protect our trademarks from infringement and adhere to defined quality requirements. If one of the third party licensees of our trademarks fails to adhere to the contractually defined quality requirements, our results could be negatively impacted if one of our brands suffers a substantial impairment to its reputation due to real or perceived quality issues. Further, if one of the third party licensees fails to protect the licensed trademark from infringement, we might be required to take action.

Virtually all of our assets consist of goodwill and intangibles.

As our financial statements indicate, virtually all of our assets consist of goodwill and intangibles, principally the trademarks, trade names and patents that we have acquired. We recorded charges in 2010 and 2009 for impairment of those assets and in the event that the value of those assets become further impaired or our business is materially adversely affected in any way, we would not have tangible assets that could be sold to repay our liabilities. As a result, our creditors and investors may not be able to recoup the amount of the indebtedness that they have extended to us or the amount they have invested in us.

We depend on third parties for intellectual property relating to some of the products we sell, and our inability to maintain or enter into future license agreements may result in our failure to meet customer demand, which would adversely affect our operating results.

We have licenses or manufacturing agreements with third parties that own intellectual property (e.g., formulae, copyrights, trademarks, trade dress, patents and other technology) used in the manufacture and sale of certain of our products. In the event that any such license or manufacturing agreement expires or is otherwise terminated, we will lose the right to use the intellectual property covered by such license or agreement and will have to develop or obtain rights to use other intellectual property. Similarly, our rights could be reduced if the applicable licensor or third-party manufacturer fails to maintain or protect the licensed intellectual property because, in such event, our competitors could obtain the right to use the intellectual property without restriction. If this were to occur, we might not be able to develop or obtain replacement intellectual property in a timely or cost effective manner. Additionally, any modified products may not be well-received by customers. The consequences of losing the right to use or having reduced rights to such intellectual property could negatively impact our sales due to our failure to meet consumer demand for the affected products or require us to incur costs for development of new or different intellectual property, either of which could have a material adverse effect on our business, financial condition and results from operations. In addition, development of replacement products may be time-consuming and ultimately may not be feasible.

We depend on our key personnel and the loss of the services provided by any of our executive officers or other key employees could harm our business and results of operations.

Our success depends to a significant degree upon the continued contributions of our senior management, many of whom would be difficult to replace. These employees may voluntarily terminate their employment with us at any time. We may not be able to successfully retain existing personnel or identify, hire and integrate new personnel. While we believe we have developed depth and experience among our key personnel, our business may be adversely affected if one or more of these key individuals were to leave. We do not maintain any key-man or similar insurance policies covering any of our senior management or key personnel.

Our indebtedness could adversely affect our financial condition and the significant amount of cash we need to service our debt will not be available to reinvest in our business.

At March 31, 2010, our total indebtedness, including current maturities, is approximately $328.1 million.

Our indebtedness could:

- Increase our vulnerability to general adverse economic and industry conditions,
- Limit our ability to engage in strategic acquisitions,
- Require us to dedicate a substantial portion of our cash flow from operations toward repayment of our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions and investments and other general corporate purposes,
- Limit our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate,
- Place us at a competitive disadvantage compared to our competitors that have less debt, and
- Limit, among other things, our ability to borrow additional funds on favorable terms or at all.

The terms of the indenture governing the 8.25% senior notes and the credit agreement governing the senior credit facility allow us to issue and incur additional debt upon satisfaction of conditions set forth in the respective agreements. If new debt is added to current debt levels, the related risks described above could increase.

At March 31, 2010, we had $30.0 million of borrowing capacity available under the Revolving Credit Facility to support our operating activities. We also have the ability to borrow up to an additional $200.0 million for acquisitions pursuant to our senior credit facility.

Our operating flexibility is limited in significant respects by the restrictive covenants in our senior credit facility and the indenture governing our senior notes.

Our senior credit facility and the indenture governing our senior notes impose restrictions that could impede our ability to enter into certain corporate transactions, as well as increase our vulnerability to adverse economic and industry conditions by limiting our flexibility in planning for, and reacting to, changes in our business and industry. These restrictions limit our ability to, among other things:

- Borrow money or issue guarantees,
- Pay dividends, repurchase stock from or make other restricted payments to stockholders,
- Make investments or acquisitions,
- Use assets as security in other transactions,
- Sell assets or merge with or into other companies,
- Enter into transactions with affiliates,
- Sell stock in our subsidiaries, and
- Direct our subsidiaries to pay dividends or make other payments to our Company.

Our ability to engage in these types of transactions is generally limited by the terms of the senior credit facility and the indenture governing the senior notes, even if we believe that a specific transaction would positively contribute to our future growth, operating results or profitability. However, if we are able to enter into these types of transactions under the terms of the senior credit facility and the indenture, or if we obtain a waiver with respect to any specific transaction, that transaction may cause our indebtedness to increase, may not result in the benefits we anticipate or may cause us to incur greater costs or suffer greater disruptions in our business than we anticipate, and could therefore, have a material adverse effect on our business, financial condition and results from operations.

In addition, the senior credit facility requires us to maintain certain leverage and interest coverage ratios and not to exceed annual capital expenditures of $3.0 million. Although we believe we can continue to meet and/or maintain the financial covenants contained in our credit agreement, our ability to do so may be affected by events outside our control. Covenants in our senior credit facility also require us to use 100% of the proceeds we receive from debt issuances to repay outstanding borrowings under our senior credit facility. Any failure by us to comply with the terms and conditions of the credit agreement and the indenture governing the senior notes could have a material adverse effect on our business, financial condition and results from operations.

The senior credit facility and the indenture governing the senior notes contain cross-default provisions that could result in the acceleration of all of our indebtedness.

The senior credit facility and the indenture governing the senior notes contain provisions that allow the respective creditors to declare all outstanding borrowings under one agreement to be immediately due and payable as a result of a default under the other agreement. Consequently, under the senior credit facility, failure to make a payment required by the indenture governing the senior notes, among other things, may lead to an event of default under the senior credit facility. Similarly, an event of default or failure to make a required payment at maturity under the senior credit facility, among other things, may lead to an event of default under the indenture governing the senior notes. If the debt under the senior credit facility and indenture governing the senior notes were to both be accelerated, the aggregate amount immediately due and payable as of March 31, 2010 would have been approximately $328.1 million. We presently do not have sufficient liquidity to repay these borrowings in the event they were to be accelerated, and we may not have sufficient liquidity in the future to do so. Additionally, we may not be able to borrow money from other lenders to enable us to refinance the indebtedness. At March 31, 2010, the book value of our current assets was $112.2 million. Although the book value of our total assets was $791.4 million, approximately $670.7 million was in the form of intangible assets, including goodwill of $111.5 million, a significant portion of which is illiquid and may not be available to satisfy our creditors in the event our debt is accelerated.

Any failure to comply with the restrictions of the senior credit facility, the indenture governing the senior notes or any other subsequent financing agreements may result in an event of default. Such default may allow the creditors to accelerate the related debt, as well as any other debt to which the cross-acceleration or cross-default provisions apply. In addition, the lenders may be able to terminate any commitments they had made to supply us with additional funding. As a result, any default by us under our credit agreement, indenture governing the senior notes or any other financing agreement, could have a material adverse effect on our business, financial condition and results from operations.

Litigation may adversely affect our business, financial condition and results of operations.

Our business is subject to the risk of litigation by employees, customers, consumers, suppliers, stockholders or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation, particularly class action lawsuits and regulatory actions, is difficult to assess or quantify. Plaintiffs in these types of lawsuits may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. The cost to defend current and future litigation may be significant. There may also be adverse publicity associated with litigation that could decrease customer acceptance of our products, regardless of whether the allegations are valid or whether we are ultimately found liable. Conversely, we may be required to initiate litigation against others to protect the value of our intellectual property and the goodwill associated therewith or enforce an agreement or contract that has been breached. These matters are extremely time consuming and expensive, but absolutely necessary to maintain enterprise value, protect our assets and realize the benefits of the agreements and contracts that we have negotiated and safeguard our future. As a result, litigation may adversely affect our business, financial condition and results of operations.

The trading price of our common stock may be volatile.

The trading price of our common stock could be subject to significant fluctuations in response to several factors, some of which are beyond our control, including (i) general stock market volatility, (ii) variations in our quarterly operating results, (iii) our leveraged

financial position, (iv) potential sales of additional shares of our common stock, (v) perceptions associated with the identification of material weaknesses in internal control over financial reporting, (vi) general trends in the consumer products industry, (vii) changes by securities analysts in their estimates or investment ratings, (viii) the relative illiquidity of our common stock, (ix) voluntary withdrawal or recall of products, (x) news regarding litigation in which we are or become involved, and (xi) general marketplace conditions brought on by economic recession.

We have no current intention of paying dividends to holders of our common stock.

We presently intend to retain our earnings, if any, for use in our operations, to facilitate strategic acquisitions, or to repay our outstanding indebtedness and have no current intention of paying dividends to holders of our common stock. In addition, our debt instruments limit our ability to declare and pay cash dividends on our common stock. As a result, your only opportunity to achieve a return on your investment in our common stock will be if the market price of our common stock appreciates and you sell your shares at a profit.

Our annual and quarterly results from operations may fluctuate significantly and could fall below the expectations of securities analysts and investors due to a number of factors, many of which are beyond our control, resulting in a decline in the price of our securities.

Our annual and quarterly results from operations may fluctuate significantly because of several factors, including:

- Increases and decreases in average quarterly revenues and profitability,
- The rate at which we make acquisitions or develop new products and successfully market them,
- Our inability to increase the sales of our existing products and expand their distribution,
- Adverse regulatory or market events in our international markets,
- Litigation matters,
- Changes in consumer preferences, spending habits and competitive conditions, including the effects of competitors' operational, promotional or expansion activities,
- Seasonality of our products,
- Fluctuations in commodity prices, product costs, utilities and energy costs, prevailing wage rates, insurance costs and other costs,
- Our ability to recruit, train and retain qualified employees, and the costs associated with those activities,
- Changes in advertising and promotional activities and expansion to new markets,
- Negative publicity relating to us and the products we sell,
- Unanticipated increases in infrastructure costs,
- Impairment of goodwill or long-lived assets,
- Changes in interest rates, and
- Changes in accounting, tax, regulatory or other rules applicable to our business.

Our quarterly operating results and revenues may fluctuate as a result of any of these or other factors. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year, and revenues for any particular future period may decrease. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the market price of our outstanding securities could be adversely impacted.

We can be adversely affected by the implementation of new, or changes in the interpretation of existing, accounting principles generally accepted in the United States of America ("GAAP").

Our financial reporting complies with GAAP which is subject to change over time. If new rules or interpretations of existing rules require us to change our financial reporting, our financial condition and results from operations could be adversely affected.

Identification of a material weakness in internal controls over financial reporting may adversely affect our financial results.

We are subject to the ongoing internal control provisions of Section 404 of the Sarbanes-Oxley Act of 2002 and the regulations promulgated thereunder. Those provisions provide for the identification and reporting of material weaknesses in our system of internal controls over financial reporting. If such a material weakness is identified, it could indicate a lack of controls adequate to generate accurate financial statements. We routinely assess our internal controls over financial reporting, but we cannot assure you that we will be able to timely remediate any material weaknesses that may be identified in future periods, or maintain all of the controls necessary for continued compliance. Likewise, we cannot assure you that we will be able to retain sufficient skilled finance and accounting personnel, especially in light of the increased demand for such personnel among publicly-traded companies.

Provisions in our amended and restated certificate of incorporation and Delaware law may discourage potential acquirers of our company, which could adversely affect the value of our securities.

Our amended and restated certificate of incorporation, as amended, provides that our board of directors is authorized to issue from time to time, without further stockholder approval, up to 5.0 million shares of preferred stock in one or more series of preferred stock issuances. Our board of directors may establish the number of shares to be included in each series of preferred stock and determine, as applicable, the voting and other powers, designations, preferences, rights, qualifications, limitations and restrictions for such series of preferred stock. The shares of preferred stock could have preferences over our common stock with respect to dividends and liquidation rights. We may issue additional preferred stock in ways which may delay, defer or prevent a change in control of the Company without further action by our stockholders. The shares of preferred stock may be issued with voting rights that may adversely affect the voting power of the holders of our common stock by increasing the number of outstanding shares having voting rights, and by the creation of class or series voting rights.

Our amended and restated certificate of incorporation, as amended, contains additional provisions that may have the effect of making it more difficult for a third party to acquire or attempt to acquire control of our company. In addition, we are subject to certain provisions of Delaware law that limit, in some cases, our ability to engage in certain business combinations with significant stockholders.

These provisions, either alone, or in combination with each other, give our current directors and executive officers the ability to significantly influence the outcome of a proposed acquisition of the Company. These provisions would apply even if an acquisition or other significant corporate transaction was considered beneficial by some of our stockholders. If a change in control or change in management is delayed or prevented by these provisions, the market price of our outstanding securities could be adversely impacted.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our corporate headquarters are located in Irvington, New York, a suburb of New York City. Primary functions undertaken at the Irvington facility include senior management, marketing, sales, operations, quality control and regulatory affairs, finance and legal. The lease on our Irvington facility expires on April 30, 2014. We also have an administrative center in Jackson, Wyoming. Primary functions undertaken at the Jackson facility include back office functions, such as invoicing, credit and collection, general ledger and customer service. The lease on the Jackson facility expires on December 31, 2010; however, we have the option to renew this lease on an annual basis. We conduct business regarding all of our business segments at each of the Irvington, New York and Jackson, Wyoming facilities.

ITEM 3. LEGAL PROCEEDINGS

DenTek Oral Care, Inc. Litigation

Reference is made to the DenTek Oral Care Inc. ("DenTek") litigation disclosure contained in (i) Part I, Item 3 of the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2009 filed with the Commission on June 15, 2009, and (ii) Part II, Item 1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2009 and filed with the Commission on February 9, 2010, both of which are incorporated herein by this reference.

On March 25, 2010, Medtech Products Inc. ("Medtech"), a wholly-owned subsidiary of the Company and plaintiff in the pending law suit against DenTek and others in the U.S. District Court for the Southern District of New York, settled all of the claims and counterclaims involving DenTek in the law suit on terms mutually agreeable to Medtech and DenTek. No payment by Medtech or the Company is required as part of the settlement.

San Francisco Technology Inc. Litigation

On April 5, 2010, Medtech was served with a Complaint filed by San Francisco Technology Inc. ("SFT") in the U.S. District Court for the Northern District of California, San Jose Division. In the Complaint, SFT asserted a qui tam action against Medtech alleging false patent markings with the intent to deceive the public regarding Medtech's two *Dermoplast*® products. Medtech has filed a Motion to Dismiss or Stay and a Motion to Sever and Transfer Venue to the Southern District of New York and is awaiting decisions on the pending Motions. Medtech intends to vigorously defend against the Complaint.

In addition to the matters described above, the Company is involved from time to time in other routine legal matters and other claims incidental to its business. The Company reviews outstanding claims and proceedings internally and with external counsel as necessary to assess probability and amount of potential loss. These assessments are re-evaluated at each reporting period and as new information becomes available to determine whether a reserve should be established or if any existing reserve should be adjusted. The actual cost of resolving a claim or proceeding ultimately may be substantially different than the amount of the recorded reserve. In addition, because it is not permissible under GAAP to establish a litigation reserve until the loss is both probable and estimable, in some cases there may be insufficient time to establish a reserve prior to the actual incurrence of the loss (upon verdict and judgment at trial, for example, or in the case of a quickly negotiated settlement). The Company believes the resolution of routine matters and other incidental claims, taking into account reserves and insurance, will not have a material adverse effect on its business, financial condition or results from operations.

ITEM 4. [REMOVED AND RESERVED]

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Part III, Item 12 of this Annual Report on Form 10-K is incorporated herein by this reference.

Market Information

Prestige Brands Holdings, Inc.'s common stock is listed on The New York Stock Exchange ("NYSE") under the symbol "PBH." The high and low closing prices of the Company's common stock as reported by the NYSE for the Company's two most recently completed fiscal years on a quarterly basis and the current year through June 9, 2010 are as follows:

	High	Low
Year Ending March 31, 2011		
April 1, 2010 - June 9, 2010	$ 9.99	$ 7.23
Year Ended March 31, 2010		
Quarter Ended:		
June 30, 2009	$ 7.24	$ 5.19
September 30, 2009	8.19	5.75
December 31, 2009	8.03	6.70
March 31, 2010	9.06	7.20
Year Ended March 31, 2009		
Quarter Ended:		
June 30, 2008	$ 11.93	$ 8.08
September 30, 2008	11.54	8.60
December 31, 2008	10.55	6.00
March 31, 2009	10.12	4.08

Unregistered Sales of Equity Securities and Use of Proceeds

There were no equity securities sold by the Company during the quarter ended March 31, 2010 that were not registered under the Securities Act of 1933, as amended.

The were no purchases of shares of the Company's common stock made during the quarter ended March 31, 2010, by or on behalf of the Company or any "affiliated purchaser," as defined by Rule 10b-18(a)(3) of the Exchange Act.

Holders

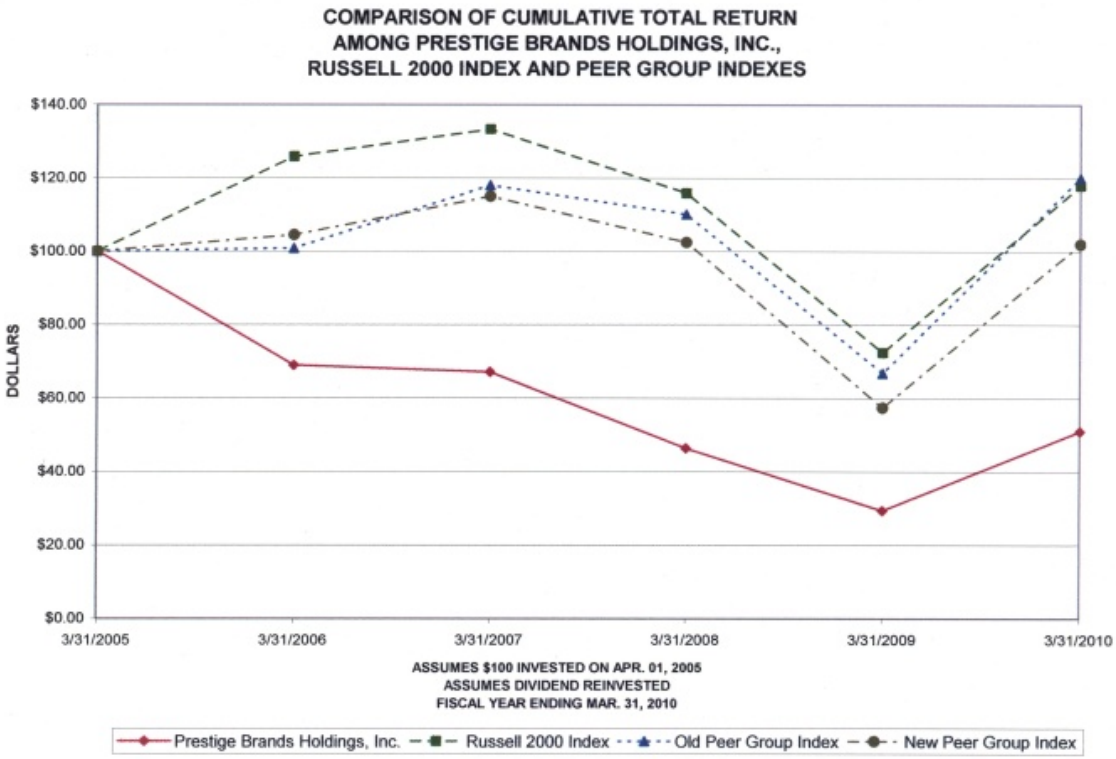
As of June 1, 2010, there were 34 holders of record of our common stock. The number of record holders does not include beneficial owners whose shares are held in the names of banks, brokers, nominees or other fiduciaries.

Dividend Policy

We have not in the past paid, and do not expect for the foreseeable future, to pay dividends on our common stock. Instead, we anticipate that all of our earnings in the foreseeable future will be used in our operations, to facilitate strategic acquisitions, or to pay down our outstanding indebtedness. Any future determination to pay dividends will be at the discretion of our board of directors and will depend upon, among other factors, our results from operations, financial condition, capital requirements and contractual restrictions, including restrictions under our senior credit facility and the indenture governing our 8.25% senior notes, and any other considerations our board of directors deems relevant.

PERFORMANCE GRAPH

The following graph ("Performance Graph") compares our cumulative total stockholder return since March 31, 2005, with the cumulative total stockholder return for our Old Peer Group Index, New Peer Group Index and the Russell 2000 Index (in which the Company is included). The Performance Graph assumes that the value of the investment in the Company's common stock and each index was $100.00 on March 31, 2005. The Performance Graph was also prepared based on the assumption that all dividends paid, if any, were reinvested. The Old Peer Group Index and the New Peer Group Index were established by the Company in connection with its research and development of an executive compensation program. Based on the Company's use of the peer group for benchmarking purposes, the Company believes the peer group should be included in the Performance Graph.



	March 31,					
	2005	2006	2007	2008	2009	2010
Prestige Brands Holdings, Inc.	$ 100.00	$ 68.95	$ 67.14	$ 46.35	$ 29.35	$ 50.99
Russell 2000 Index	100.00	125.85	133.28	115.95	72.47	117.95
Old Peer Group Index (1), (2)	100.00	100.90	118.04	110.16	66.82	120.09
New Peer Group Index (1), (3)	100.00	104.49	115.03	102.50	57.48	102.01

(1) Each Peer Group Index is a self-constructed peer group consisting of companies in the consumer products industry with comparable revenues and market capitalization, from which the Company has been excluded. Each Peer Group Index was constructed in connection with the Company's benchmark analysis of executive compensation.

(2) The Old Peer Group Index is comprised of the following companies: (i) Chattem Inc., (ii) Elizabeth Arden, Inc., (iii) Hain Celestial Group, Inc., (iv) Helen of Troy Limited, (v) Inter Parfums, Inc., (vi) Lifetime Brands, Inc., (vii) Maidenform Brands, Inc. and (viii) WD-40 Company.

(3) The New Peer Group Index is comprised of: (i) Elizabeth Arden, Inc., (ii) Hain Celestial Group, Inc., (iii) Helen of Troy, Ltd., (iv) Inter Parfums, Inc., (v) Lifetime Brands, Inc., (vi) Maidenform Brands, Inc., (vii) Smart Balance, Inc., (viii) WD-40 Company, and (ix) Zep, Inc.

The Performance Graph shall not be deemed incorporated by reference by any general statement incorporating by reference this Annual Report on Form 10-K into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such Acts.

ITEM 6. SELECTED FINANCIAL DATA

Prestige Brands Holdings, Inc.
(In thousands, except per share data)

	Year Ended March 31,				
	2010	**2009**	**2008**	**2007**	**2006**
Income Statement Data					
Total revenues	$ 302,023	$ 303,147	$ 315,107	$ 306,127	$ 282,577
Cost of sales (1)	144,587	144,196	151,811	146,570	132,218
Gross profit	157,436	158,951	163,296	159,557	150,359
Advertising and promotion expenses	31,236	37,777	34,243	31,500	31,278
Depreciation and amortization	10,552	9,423	9,219	8,589	8,053
General and administrative	34,195	31,888	31,414	28,417	21,137
Impairment of goodwill and intangibles	2,751	249,285	--	--	1,892
Interest expense, net	22,935	28,436	37,393	39,536	36,387
Other (income) expense	2,656	--	(187)	(30)	(41)
Income (loss) from continuing operations before income taxes	53,111	(197,858)	51,214	51,545	51,653
Provision (benefit) for income taxes	21,849	(9,905)	19,168	17,841	23,114
Income (loss) from continuing operations	31,262	(187,953)	32,046	33,704	28,539
Discontinued Operations					
Income (loss) from discontinued operations, net of income tax	696	1,177	1,873	2,375	(2,262)
Gain on sale of discontinued operations, net of income tax	157	--	--	--	--
Cumulative preferred dividends	--	--	--	--	--
Net income (loss) available to common stockholders	$ 32,115	$ (186,776)	$ 33,919	$ 36,079	$ 26,277
Basic earnings per share:					
Income (loss) from continuing operations	$ 0.63	$ (3.76)	$ 0.64	$ 0.68	$ 0.58
Net income (loss)	$ 0.64	$ (3.74)	$ 0.68	$ 0.73	$ 0.54
Diluted earnings per share:					
Income (loss) from continuing operations	$ 0.62	$ (3.76)	$ 0.64	$ 0.67	$ 0.57
Net income (loss)	$ 0.64	$ (3.74)	$ 0.68	$ 0.72	$ 0.53
Weighted average shares outstanding:					
Basic	50,013	49,935	49,751	49,460	48,908
Diluted	50,085	49,935	50,039	50,020	50,008

	Year Ended March 31,				
Other Financial Data	**2010**	**2009**	**2008**	**2007**	**2006**
Capital expenditures	$ 673	$ 481	$ 488	$ 540	$ 519
Cash provided by (used in):					
Operating activities	59,427	66,679	44,989	71,899	53,861
Investing activities	7,320	(4,672)	(537)	(31,051)	(54,163)
Financing activities	(60,831)	(32,904)	(52,132)	(35,290)	3,168

	March 31,				
Balance Sheet Data	**2010**	**2009**	**2008**	**2007**	**2006**
Cash and cash equivalents	$ 41,097	$ 35,181	$ 6,078	$ 13,758	$ 8,200
Total assets	791,412	801,381	1,049,156	1,063,416	1,038,645
Total long-term debt, including current maturities	328,087	378,337	411,225	463,350	498,630
Stockholders' equity	329,059	294,385	479,073	445,334	409,407

(1) For 2006 and 2007, cost of sales included $248,000 and $276,000, respectively, of charges related to the step-up of inventory.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read together with the "Selected Financial Data" and the consolidated financial statements and the related notes included elsewhere in this Annual Report on Form 10-K. This discussion and analysis may contain forward-looking statements that involve certain risks, assumptions and uncertainties. Future results could differ materially from the discussion that follows for many reasons, including the factors described in Item 1A., "Risk Factors" in this Annual Report on Form 10-K, as well as those described in future reports filed with the SEC.

General

We are engaged in the marketing, sales and distribution of brand name over-the-counter healthcare, household cleaning and personal care products to mass merchandisers, drug stores, supermarkets and club stores primarily in the United States and Canada. We continue to use the strength of our brands, our established retail distribution network, a low-cost operating model and our experienced management team as a competitive advantage to grow our presence in these categories and, as a result, grow our sales and profits.

We have grown our brand portfolio by acquiring strong and well-recognized brands from larger consumer products and pharmaceutical companies, as well as other brands from smaller private companies. While the brands we have purchased from larger consumer products and pharmaceutical companies have long histories of support and brand development, we believe that at the time we acquired them they were considered "non-core" by their previous owners and did not benefit from the focus of senior level management or strong marketing support. We believe that the brands we have purchased from smaller private companies have been constrained by the limited resources of their prior owners. After acquiring a brand, we seek to increase its sales, market share and distribution in both existing and new channels. We pursue this growth through increased spending on advertising and promotion, new marketing strategies, improved packaging and formulations and innovative new products.

Discontinued Operations and Sale of Certain Assets

In October 2009, the Company sold certain assets related to the shampoo brands previously included in its Personal Care products segment to an unrelated third party. In accordance with the Discontinued Operations Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"), the Company reclassified the related assets as held for sale in the consolidated balance sheets as of March 31, 2009 and reclassified the related operating results as discontinued in the consolidated financial statements and related notes for all periods presented. The Company recognized a gain of $253,000 on a pre-tax basis and $157,000 net of tax effects on the sale in the quarter ended December 31, 2009.

The following table presents the assets related to the discontinued operations as of March 31, 2009 (in thousands):

Inventory	$	1,038
Intangible assets		8,472
Total assets held for sale	$	9,510

The following table summarizes the results of discontinued operations (in thousands):

	Year Ended March 31,		
	2010	2009	2008
Components of Income			
Revenues	$ 5,053	$ 9,568	$ 11,496
Income before income taxes	1,121	1,896	2,994

The total sale price for the assets was $9 million, subject to adjustments for inventory, with $8 million received upon closing, and the remaining $1 million to be received on the first anniversary of the closing.

Critical Accounting Policies and Estimates

The Company's significant accounting policies are described in the notes to the audited financial statements included elsewhere in this Annual Report on Form 10-K. While all significant accounting policies are important to our consolidated financial statements, certain of these policies may be viewed as being critical. Such policies are those that are both most important to the portrayal of our financial condition and results from operations and require our most difficult, subjective and complex estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses or the related disclosure of contingent assets and liabilities. These estimates are based upon our historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ materially from these estimates under different conditions. The most critical accounting policies are as follows:

Revenue Recognition

We recognize revenue when the following revenue recognition criteria are met: (i) persuasive evidence of an arrangement exists; (ii) the product has been shipped and the customer takes ownership and assumes the risk of loss; (iii) the selling price is fixed or determinable; and (iv) collection of the resulting receivable is reasonably assured. We have determined that the transfer of risk of loss generally occurs when product is received by the customer, and, accordingly recognize revenue at that time. Provision is made for estimated discounts related to customer payment terms and estimated product returns at the time of sale based on our historical experience.

As is customary in the consumer products industry, we participate in the promotional programs of our customers to enhance the sale of our products. The cost of these promotional programs is recorded as advertising and promotional expenses or as a reduction of sales. Such costs vary from period-to-period based on the actual number of units sold during a finite period of time. We estimate the cost of such promotional programs at their inception based on historical experience and current market conditions and reduce sales by such estimates. These promotional programs consist of direct to consumer incentives such as coupons and temporary price reductions, as well as incentives to our customers, such as slotting fees and cooperative advertising. Direct reimbursements of advertising costs are reflected as a reduction of advertising costs in the periods in which the reimbursement criteria are achieved. We do not provide incentives to customers for the acquisition of product in excess of normal inventory quantities since such incentives increase the potential for future returns, as well as reduce sales in the subsequent fiscal periods.

Estimates of costs of promotional programs are based on (i) historical sales experience, (ii) the current offering, (iii) forecasted data, (iv) current market conditions, and (v) communication with customer purchasing/marketing personnel. At the completion of the promotional program, the estimated amounts are adjusted to actual results. Our related promotional expense for the year ended March 31, 2010 was $18.3 million. We participated in 5,570 promotional campaigns, resulting in an average cost of $3,300 per campaign. Of such amount, only 738 payments were in excess of $5,000. We believe that the estimation methodologies employed, combined with the nature of the promotional campaigns, make the likelihood remote that our obligation would be misstated by a material amount. However, for illustrative purposes, had we underestimated the promotional program rate by 10% for the year ended March 31, 2010, our sales and operating income would have been adversely affected by approximately $1.8 million. Net income would have been adversely affected by approximately $1.1 million.

We also periodically run coupon programs in Sunday newspaper inserts or as on-package instant redeemable coupons. We utilize a national clearing house to process coupons redeemed by customers. At the time a coupon is distributed, a provision is made based upon historical redemption rates for that particular product, information provided as a result of the clearing house's experience with coupons of similar dollar value, the length of time the coupon is valid, and the seasonality of the coupon drop, among other factors. During 2010, we had 25 coupon events. The amount recorded against revenues and accrued for these events during the year was $1.3 million. Cash settlement of coupon redemptions during the year was $1.3 million.

Allowances for Product Returns

Due to the nature of the consumer products industry, we are required to estimate future product returns. Accordingly, we record an estimate of product returns concurrent with the recording of sales. Such estimates are made after analyzing (i) historical return rates, (ii) current economic trends, (iii) changes in customer demand, (iv) product acceptance, (v) seasonality of our product offerings, and (vi) the impact of changes in product formulation, packaging and advertising.

We construct our returns analysis by looking at the previous year's return history for each brand. Subsequently, each month, we estimate our current return rate based upon an average of the previous six months' return rate and review that calculated rate for reasonableness giving consideration to the other factors described above. Our historical return rate has been relatively stable; for example, for the years ended March 31, 2010, 2009 and 2008, returns represented 3.9%, 3.8% and 4.4%, respectively, of gross sales. The 2008 rate of 4.4% included costs associated with the voluntary withdrawal from the marketplace of *Little Remedies* medicated pediatric cough and cold products in October 2007. Had the voluntary withdrawal not occurred, the actual returns rate would have been 3.9%. At March 31, 2010 and 2009, the allowance for sales returns was $5.9 million and $2.2 million, respectively. The 2010 increase in the allowance for sales returns was primarily due to slow moving retail inventory of our Allergen Block product.

While we utilize the methodology described above to estimate product returns, actual results may differ materially from our estimates, causing our future financial results to be adversely affected. Among the factors that could cause a material change in the estimated return rate would be significant unexpected returns with respect to a product or products that comprise a significant portion of our revenues in a manner similar to the *Little Remedies* voluntary withdrawal discussed above. Based upon the methodology described above and our actual returns' experience, management believes the likelihood of such an event remains remote. As noted, over the last three years our actual product return rate has stayed within a range of 3.8% to 4.4% of gross sales. An increase of 0.1% in our estimated return rate as a percentage of gross sales would have adversely affected our reported sales and operating income for the year ended March 31, 2010 by approximately $358,000. Net income would have been adversely affected by approximately $222,000.

Allowances for Obsolete and Damaged Inventory

We value our inventory at the lower of cost or market value. Accordingly, we reduce our inventories for the diminution of value resulting from product obsolescence, damage or other issues affecting marketability equal to the difference between the cost of the inventory and its estimated market value. Factors utilized in the determination of estimated market value include (i) current sales data and historical return rates, (ii) estimates of future demand, (iii) competitive pricing pressures, (iv) new product introductions, (v) product expiration dates, and (vi) component and packaging obsolescence.

Many of our products are subject to expiration dating. As a general rule our customers will not accept goods with expiration dating of less than 12 months from the date of delivery. To monitor this risk, management utilizes a detailed compilation of inventory with expiration dating between zero and 15 months and reserves for 100% of the cost of any item with expiration dating of 12 months or less. At March 31, 2010 and 2009, the allowance for obsolete and slow moving inventory was $2.0 million and $1.4 million, respectively, representing 6.4% and 5.1%, respectively, of total inventory. The year-over-year percentage increase was the result of an increase of $598,000 in slow moving inventory at March 31, 2010 compared to March 31, 2009. Inventory obsolescence costs charged to operations for 2010, 2009, and 2008 were $1.7 million, $2.2 million and $1.4 million, respectively, or 0.6%, 0.7% and 0.4%, respectively, of net sales. A 1.0% increase in our allowance for obsolescence at March 31, 2010 would have adversely affected our reported operating income and net income for the year ended March 31, 2010 by approximately $312,000 and $194,000, respectively.

Allowance for Doubtful Accounts

In the ordinary course of business, we grant non-interest bearing trade credit to our customers on normal credit terms. We maintain an allowance for doubtful accounts receivable which is based upon our historical collection experience and expected collectibility of the accounts receivable. In an effort to reduce our credit risk, we (i) establish credit limits for all of our customer relationships, (ii) perform ongoing credit evaluations of our customers' financial condition, (iii) monitor the payment history and aging of our customers' receivables, and (iv) monitor open orders against an individual customer's outstanding receivable balance.

We establish specific reserves for those accounts which file for bankruptcy, have no payment activity for 180 days or have reported major negative changes to their financial condition. The allowance for bad debts amounted to 0.7% and 0.3% of accounts receivable at March 31, 2010 and 2009, respectively. Bad debt expense for 2010, 2009 and 2008 was $200,000, $130,000, and $124,000, respectively, representing 0.1% of net sales for 2010 and 0.0% of net sales for 2009 and 2008.

While management believes that it is diligent in its evaluation of the adequacy of the allowance for doubtful accounts, an unexpected event, such as the bankruptcy filing of a major customer, could have an adverse effect on our future financial results. A 0.1% increase in our bad debt expense as a percentage of sales in 2010 would have resulted in a decrease in reported operating income of approximately $302,000, and a decrease in our reported net income of approximately $188,000.

Valuation of Intangible Assets and Goodwill

Goodwill and intangible assets amounted to $670.7 and $683.4 million at March 31, 2010 and 2009, respectively. At March 31, 2010, goodwill and intangible assets were apportioned among our three operating segments as follows:

(In thousands)	**Over-the-Counter Healthcare**	**Household Cleaning**	**Personal Care**	**Consolidated**
Goodwill	$ 104,100	$ 7,389	$ --	$ 111,489
Intangible assets				
Indefinite lived	334,750	119,821	--	454,571
Finite lived	65,961	33,143	5,554	104,658
	400,711	152,964	5,554	559,229
	$ 504,811	$ 160,353	$ 5,554	$ 670,718

Our *Clear Eyes*, *New-Skin*, *Chloraseptic*, *Compound W* and *Wartner* brands comprise the majority of the value of the intangible assets within the Over-the-Counter Healthcare segment. The *Comet, Spic and Span* and *Chore Boy* brands comprise substantially all of the intangible asset value within the Household Cleaning segment. *Cutex* comprises substantially all of the intangible asset value within the Personal Care segment.

Goodwill and intangible assets comprise substantially all of our assets. Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed in a purchase business combination. Intangible assets generally represent our trademarks, brand names and patents. When we acquire a brand, we are required to make judgments regarding the value assigned to the associated intangible assets, as well as their respective useful lives. Management considers many factors, both prior to and after, the acquisition of an intangible asset in determining the value, as well as the useful life, assigned to each intangible asset that the Company acquires or continues to own and promote. The most significant factors are:

- ***Brand History***
  A brand that has been in existence for a long period of time (*e.g.*, 25, 50 or 100 years) generally warrants a higher valuation and longer life (sometimes indefinite) than a brand that has been in existence for a very short period of time. A brand that has been in existence for an extended period of time generally has been the subject of considerable investment by its previous owner(s) to support product innovation and advertising and promotion.

- ***Market Position***
  Consumer products that rank number one or two in their respective market generally have greater name recognition and are known as quality product offerings, which warrant a higher valuation and longer life than products that lag in the marketplace.

- ***Recent and Projected Sales Growth***
  Recent sales results present a snapshot as to how the brand has performed in the most recent time periods and represent another factor in the determination of brand value. In addition, projected sales growth provides information about the strength and potential longevity of the brand. A brand that has both strong current and projected sales generally warrants a higher valuation and a longer life than a brand that has weak or declining sales. Similarly, consideration is given to the potential investment, in the form of advertising and promotion, which is required to reinvigorate a brand that has fallen from favor.

- ***History of and Potential for Product Extensions***
  Consideration also is given to the product innovation that has occurred during the brand's history and the potential for continued product innovation that will determine the brand's future. Brands that can be continually enhanced by new product offerings generally warrant a higher valuation and longer life than a brand that has always "followed the leader".

After consideration of the factors described above, as well as current economic conditions and changing consumer behavior, management prepares a determination of the intangible's value and useful life based on its analysis. Under accounting guidelines goodwill is not amortized, but must be tested for impairment annually, or more frequently if an event or circumstances change that would more likely than not reduce the fair value of the reporting unit below the carrying amount. In a similar manner, indefinite-lived assets are no longer amortized. They are also subject to an annual impairment test, or more frequently if events or changes in circumstances indicate that the asset may be impaired. Additionally, at each reporting period an evaluation must be made to determine whether events and circumstances continue to support an indefinite useful life. Intangible assets with finite lives are amortized over their respective estimated useful lives and must also be tested for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable and exceeds its fair value.

On an annual basis, during the fourth fiscal quarter, or more frequently if conditions indicate that the carrying value of the asset may not be recovered, management performs a review of both the values and useful lives assigned to goodwill and intangible assets and tests for impairment.

We report Goodwill and Indefinite-Lived Intangible Assets in three operating segments; Over-the-Counter Healthcare, Household Cleaning, and Personal Care. We identify our reporting units in accordance with the FASB Accounting Standards Codification Subtopic 280-10, which is at the brand level, and one level below the operating segment level. The carrying value and fair value for intangible assets and goodwill for a reporting unit are calculated based on key assumptions and valuation methodologies previously discussed. As a result, any material changes to these assumptions could require us to record additional impairment in the future.

Goodwill

(In thousands)

Operating Segment	March 31, 2010	Percent by which Fair Value Exceeded Carrying Value in Annual Test
Over-the-Counter Healthcare	$ 104,100	26.9
Household Cleaning	7,389	8.6
Personal Care	--	n/a
	$ 111,489	

As of March 31, 2010, the Over-the-Counter Healthcare segment had four reporting units with goodwill and their aggregate fair value exceeded the carrying value by 26.9%. No individual reporting unit's fair value in the Over-the-Counter Healthcare segment exceeded its carrying value by less than 5%. The Household Cleaning segment had one operating unit and the fair value exceeded its carrying value by 8.6%.

As part of our annual test for impairment of goodwill, management estimates the discounted cash flows of each reporting unit, which is at the brand level, and one level below the operating segment level, to estimate their respective fair values. In performing this analysis, management considers the same types of information as listed above in regards to finite-lived intangible assets. In the event that the carrying amount of the reporting unit exceeds the fair value, management would then be required to allocate the estimated fair value of the assets and liabilities of the reporting unit as if the unit was acquired in a business combination, thereby revaluing the carrying amount of goodwill. In a manner similar to indefinite-lived assets, future events, such as competition, technological advances and reductions in advertising support for our trademarks and trade names could cause subsequent evaluations to utilize different assumptions.

Indefinite-Lived Intangible Assets

(In thousands)

Operating Segment	March 31, 2010	Percent by which Fair Value Exceeded Carrying Value in Annual Test
Over-the-Counter Healthcare	$ 334,750	63.7
Household Cleaning	119,821	20.2
Personal Care	--	n/a
	$ 454,571	

As of March 31, 2010, the Over-the-Counter Healthcare segment had five reporting units with indefinite-lived classification and their aggregate fair value exceeded the carrying value by 63.7%. No individual reporting unit's fair value in the Over-the-Counter Healthcare segment exceeded its carrying value by less than 9%. The Household Cleaning segment had one reporting unit and the fair value exceeded its carrying value by 20.2%.

In a manner similar to finite-lived intangible assets, at each reporting period, management analyzes current events and circumstances to determine whether the indefinite life classification for a trademark or trade name continues to be valid. Should circumstance warrant a finite life, the carrying value of the intangible asset would then be amortized prospectively over the estimated remaining useful life.

The economic events experienced during the year ended March 31, 2009, as well as the Company's plans and projections for its brands, indicated that several of our brands could no longer support indefinite useful lives. Each of these brands incurred an impairment charge during the three month period ended March 31, 2009 and has been adversely affected by increased competition. Consequently, at April 1, 2009, management reclassified $45.6 million of previously indefinite-lived intangibles to intangibles with definite lives. Management estimates the useful lives of these intangibles to be 20 years.

The fair values and the annual amortization charges of the reclassified intangibles are as follows (in thousands):

	Fair Value as of March 31, 2009	Annual Amortization
Household Trademarks	$ 34,888	$ 1,745
Over-the-Counter Healthcare Trademark	10,717	536
	$ 45,605	$ 2,281

Management tests the indefinite-lived intangible assets for impairment by comparing the carrying value of the intangible asset to its estimated fair value. Since quoted market prices are seldom available for trademarks and trade names such as ours, we utilize present value techniques to estimate fair value. Accordingly, management's projections are utilized to assimilate all of the facts, circumstances and expectations related to the trademark or trade name and estimate the cash flows over its useful life. In performing this analysis, management considers the same types of information as listed above in regards to finite-lived intangible assets. Once that analysis is completed, a discount rate is applied to the cash flows to estimate fair value. Future events, such as competition, technological advances and reductions in advertising support for our trademarks and trade names could cause subsequent evaluations to utilize different assumptions.

Finite-Lived Intangible Assets

As mentioned above, when events or changes in circumstances indicate the carrying value of the assets may not be recoverable, management performs a review to ascertain the impact of events and circumstances on the estimated useful lives and carrying values of our trademarks and trade names. In connection with this analysis, management:

- Reviews period-to-period sales and profitability by brand,
- Analyzes industry trends and projects brand growth rates,
- Prepares annual sales forecasts,
- Evaluates advertising effectiveness,
- Analyzes gross margins,
- Reviews contractual benefits or limitations,
- Monitors competitors' advertising spend and product innovation,
- Prepares projections to measure brand viability over the estimated useful life of the intangible asset, and
- Considers the regulatory environment, as well as industry litigation.

Should analysis of any of the aforementioned factors warrant a change in the estimated useful life of the intangible asset, management will reduce the estimated useful life and amortize the carrying value prospectively over the shorter remaining useful life. Management's projections are utilized to assimilate all of the facts, circumstances and expectations related to the trademark or trade name and estimate the cash flows over its useful life. In the event that the long-term projections indicate that the carrying value is in excess of the undiscounted cash flows expected to result from the use of the intangible assets, management is required to record an impairment charge. Once that analysis is completed, a discount rate is applied to the cash flows to estimate fair value. The impairment charge is measured as the excess of the carrying amount of the intangible asset over fair value as calculated using the discounted cash flow analysis. Future events, such as competition, technological advances and reductions in advertising support for our trademarks and trade names could cause subsequent evaluations to utilize different assumptions.

Impairment Analysis

We estimate the fair value of our intangible assets and goodwill using a discounted cash flow method. This discounted cash flow methodology is a widely-accepted valuation technique utilized by market participants in the valuation process and has been applied consistently with prior periods. In addition, we considered our market capitalization at March 31, 2010, as compared to the aggregate fair values of our reporting units to assess the reasonableness of our estimates pursuant to the discounted cash flow methodology.

During the three month period ended March 31, 2010, we recorded a $2.8 million non-cash impairment charge of goodwill of a brand in the Personal Care segment. The impairment was a result of distribution losses and increased competition from private label store brands.

During the three month period ended March 31, 2009, as a direct consequence of the challenging economic environment, the dislocation of the debt and equity markets, and contracting consumer demand for our branded products, we recorded a non-cash charge in the amount of $249.3 million related to the impairment of intangible assets and goodwill across the entire product line because the carrying amount of these "branded" assets exceeded their respective fair values. A summary of the impairment activity by segment for the year ended March 31, 2009 is as follows:

(In thousands)	Over-the-Counter Healthcare	Household Cleaning	Personal Care	Consolidated
Goodwill	$ 125,527	$ 65,160	$ --	$ 190,687
Intangible assets				
Indefinite lived	28,603	16,184	--	44,787
Finite lived	12,420	--	1,391	13,811
	41,023	16,184	1,391	58,598
	$ 166,550	$ 81,344	$ 1,391	$ 249,285

The discount rate utilized in the analyses, as well as future cash flows may be influenced by such factors as changes in interest rates and rates of inflation. Additionally, should the related fair values of goodwill and intangible assets continue to be adversely affected as a result of declining sales or margins caused by competition, changing consumer preferences, technological advances or reductions in advertising and promotional expenses, the Company may be required to record additional impairment charges in the future.

Stock-Based Compensation

The Compensation and Equity Topics of the FASB ASC requires us to measure the cost of services to be rendered based on the grant-date fair value of the equity award. Compensation expense is to be recognized over the period which an employee is required to provide service in exchange for the award, generally referred to as the requisite service period. Information utilized in the determination of fair value includes the following:

- Type of instrument (i.e.: restricted shares vs. an option, warrant or performance shares),
- Strike price of the instrument,
- Market price of our common stock on the date of grant,
- Discount rates,
- Duration of the instrument, and
- Volatility of our common stock in the public market.

Additionally, management must estimate the expected attrition rate of the recipients to enable it to estimate the amount of non-cash compensation expense to be recorded in our financial statements. While management uses diligent analysis to estimate the respective variables, a change in assumptions or market conditions, as well as changes in the anticipated attrition rates, could have a significant impact on the future amounts recorded as non-cash compensation expense. We recorded net non-cash compensation expense of $2.1 million, $2.4 million and $1.1 million during 2010, 2009 and 2008, respectively. During 2010, performance goals related to certain restricted stock grants were met and recorded accordingly. However, during the year ended March 31, 2009, management was required to reverse previously recorded stock-based compensation costs of $193,000 and $705,000

related to the May 2008 and 2007 grants, respectively, as it was determined that we would not meet the performance goals associated with such grants of restricted stock. During the year ended March 31, 2008, management for the same reasons was required to reverse previously recorded stock-based compensation costs of $538,000, $394,000 and $166,000 related to the October 2005, July 2006 and May 2007 grants, respectively. Assuming no changes in assumptions and no new awards authorized by the Compensation Committee of the Board of Directors, we will record non-cash compensation expense of approximately $2.2 million during 2011. We issued additional stock-based compensation grants in April 2011, which will be accounted for in the first quarter of 2011.

Loss Contingencies

Loss contingencies are recorded as liabilities when it is probable that a liability has been incurred and the amount of such loss is reasonably estimable. Contingent losses are often resolved over longer periods of time and involve many factors including:

- Rules and regulations promulgated by regulatory agencies,
- Sufficiency of the evidence in support of our position,
- Anticipated costs to support our position, and
- Likelihood of a positive outcome.

Recent Accounting Pronouncements

In April 2010, the FASB issued authoritative guidance to provide clarification regarding the classification requirements of a share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trade. The guidance states that such an award should not be considered to contain a market, performance, or service condition and should not be classified as a liability if it otherwise qualifies as an equity classification. This guidance is effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The Company does not expect this guidance to have a material impact on its consolidated financial statements.

In May 2009, the FASB issued guidance regarding subsequent events, which was subsequently updated in February 2010. This guidance established general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. In particular, this guidance set forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. This guidance was effective for financial statements issued for fiscal years and interim periods ending after June 15, 2009, and was therefore adopted by the Company for the second quarter 2009 reporting. The adoption did not have a significant impact on the subsequent events that the Company reports, either through recognition or disclosure, in the consolidated financial statements. In February 2010, the FASB amended its guidance on subsequent events to remove the requirement to disclose the date through which an entity has evaluated subsequent events, alleviating conflicts with current SEC guidance. This amendment was effective immediately and the Company therefore removed the disclosure in this Annual Report.

In January 2010, the FASB issued authoritative guidance requiring new disclosures and clarifying some existing disclosure requirements about fair value measurement. Under the new guidance, a reporting entity should (a) disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers, and (b) present separately information about purchases, sales, issuances, and settlements in the reconciliation for fair value measurements using significant unobservable inputs. This guidance is effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The new guidance requires only enhanced disclosures and the Company does not expect this guidance to have a material impact on its consolidated financial statements.

In August 2009, the FASB issued authoritative guidance to provide clarification on measuring liabilities at fair value when a quoted price in an active market is not available. In these circumstances, a valuation technique should be applied that uses either the quote of the liability when traded as an asset, the quoted prices for similar liabilities or similar liabilities when traded as assets, or another valuation technique consistent with existing fair value measurement guidance, such as an income approach or a market approach. The new guidance also clarifies that when estimating the fair value of a liability, a reporting entity is not required to include a separate input or adjustment to other inputs relating to the existence of a restriction that prevents the transfer of the liability. This guidance became effective beginning with the third quarter of the Company's 2010 fiscal year; however, the adoption of the new guidance did not have a material impact on the Company's financial position, results from operations or cash flows.

In June 2009, the FASB issued authoritative guidance to eliminate the exception to consolidate a qualifying special-purpose entity, change the approach to determining the primary beneficiary of a variable interest entity and require companies to more frequently re-assess whether they must consolidate variable interest entities. Under the new guidance, the primary beneficiary of a variable interest entity is identified qualitatively as the enterprise that has both (a) the power to direct the activities of a variable interest entity that most significantly impact the entity's economic performance, and (b) the obligation to absorb losses of the entity that could potentially be significant to the variable interest entity or the right to receive benefits from the entity that could potentially be significant to the variable interest entity. This guidance becomes effective for the Company's fiscal 2011 year-end and interim reporting periods. The Company does not expect this guidance to have a material impact on its consolidated financial statements.

In June 2009, the FASB established the FASB ASC as the source of authoritative accounting principles recognized by the FASB to be applied in the preparation of financial statements in conformity with generally accepted accounting principles. The new guidance explicitly recognizes rules and interpretive releases of the SEC under federal securities laws as authoritative accounting principles generally accepted in the United States of America ("GAAP") for SEC registrants. The new guidance became effective for our financial statements issued for the three and six month periods ending on September 30, 2009.

The Derivatives and Hedging Topic of the FASB ASC was amended to require a company with derivative instruments to disclose information to enable users of the financial statements to understand (i) how and why the company uses derivative instruments, (ii) how derivative instruments and related hedged items are accounted for, and (iii) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. Accordingly, the new guidance now requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements. The implementation of the new guidance at January 1, 2009 required enhanced disclosures of derivative instruments and the Company's hedging activities and did not have any impact on the Company's financial position, results from operations or cash flows.

Management has reviewed and continues to monitor the actions of the various financial and regulatory reporting agencies and is currently not aware of any other pronouncement that could have a material impact on the Company's consolidated financial position, results of operations or cash flows.

Fiscal 2010 compared to Fiscal 2009

Revenues

	2010 Revenues	%	2009 Revenues	%	Increase (Decrease)	%
OTC Healthcare	$ 180,463	59.8	$ 176,975	58.4	$ 3,488	2.0
Household Cleaning	110,696	36.6	116,015	38.3	(5,319)	(4.6)
Personal Care	10,864	3.6	10,157	3.3	707	7.0
	$ 302,023	100.0	$ 303,147	100.0	$ (1,124)	(0.4)

Revenues for fiscal 2010 were $302.0 million, a decrease of $1.1 million, or 0.4%, versus 2009. Revenues for both the Over-the-Counter Healthcare and Personal Care segments increased versus the comparable period. Revenues for the Household Cleaning segment declined during the period. Revenues from customers outside of North America, which represent 4.2% of total revenues, increased by $1.9 million, or 17.5%, during 2010 versus 2009.

Over-the-Counter Healthcare Segment

Revenues for the Over-the-Counter Healthcare segment increased $3.5 million, or 2.0%, during 2010 versus 2009. Revenue increases for *Clear Eyes*, *Chloraseptic*, *Compound W*, *Dermoplast*, *Little Remedies*, *Murine Tears* and *The Doctor*'s were partially offset by revenue decreases on *Allergen Block*, *Murine Ear*, and *Wartner*. *Clear Eyes* revenues increased primarily due to the launch of a new line of *Clear Eyes* Tears products and stronger shipments of the traditional and convenience size items. *Chloraseptic* revenues increased as the result of a stronger spring flu season driving consumer consumption. *Compound W* revenues increased due to increased consumer consumption, particularly behind the non-cryogenic products. *Dermoplast* revenues increased as a result of customers buying in advance of a scheduled price increase of our institutional item. *Little Remedies* revenues increased as the result of distribution gains and increased consumer consumption of its non-medicated pediatric products. *Murine Tears* revenues increased as the result of higher shipments to markets outside North America. *The Doctor*'s revenues increased due to royalty revenue ($3.1 million) received as a result of a legal settlement, and a favorable response due to an increase in advertising compared to 2009. *Allergen Block* revenues decreased as current year sales did not equal the pipeline orders that existed in 2009 as a result of promotions during the introductory period for the product and allowances for returns and markdowns for slow moving inventory at retail. *Murine Ear*'s revenues decreased primarily as the result of slowing consumer consumption, particularly on *Earigate*. *Wartner*'s revenues decreased as the result of lost distribution and softness in the cryogenic segment of the wart treatment category.

In early February 2010, the Company was notified that its largest customer intended to discontinue the sale of *The Doctor's NightGuard* and *The Doctor's Brushpicks* due to that customer's initiative to reduce the number of vendors in the Oral Care category. Subsequent to that notification, the Company conducted a formal review of the products' performance with the customer in an effort to reverse the customer's decision. As a result of that review, the customer decided to continue to sell *The Doctor's Nightguard* in approximately one-half of its stores. Both products are included in our Over-the-Counter Healthcare Segment. Revenue and gross profit from *The Doctor's Nightguard* product during fiscal 2010 at this customer were approximately $3.7 million and $2.7 million, respectively. Revenue and gross profit from *The Doctor's Brushpicks* product during fiscal 2010 were approximately $2.2 million and $1.4 million, respectively.

Household Cleaning Segment

Revenues for the Household Cleaning segment decreased $5.3 million, or 4.6%, during 2010 versus 2009. *Comet*'s revenues decreased primarily due to softer consumer consumption of bathroom spray. *Chore Boy* revenues declined as a result of weaker consumer consumption and lost distribution. *Spic and Span* revenues were up slightly versus 2009 as a result of increased shipments to the dollar store class of trade.

Personal Care Segment

Revenues for the Personal Care segment increased $707,000, or 7.0%, during 2010 versus 2009. The revenue increase was driven by *Cutex* and was due to improving consumption in the nail polish remover category. *Cutex*, however, experienced distribution losses late in 2010 due to increased pressure from private label brands.

Gross Profit

	2010 Gross Profit	%	2009 Gross Profit	%	Increase (Decrease)	%
OTC Healthcare	$ 114,414	63.4	$ 113,516	64.1	$ 898	0.8
Household Cleaning	38,578	34.9	41,558	35.8	(2,980)	(7.2)
Personal Care	4,444	40.9	3,877	38.2	567	14.6
	$ 157,436	52.1	$ 158,951	52.4	$ (1,515)	(1.0)

Gross profit during 2010 decreased $1.5 million, or 1.0%, versus 2009. As a percent of total revenue, gross profit decreased from 52.4% in 2009 to 52.1% in 2010. The decrease in gross profit as a percent of revenues was primarily due to higher promotional allowances, unfavorable sales mix and supplier transitional costs, partially offset by decreases in distribution costs.

Over-the-Counter Healthcare Segment

Gross profit for the Over-the-Counter Healthcare segment increased $898,000, or 0.8%, during 2010 versus 2009. As a percent of Over-the-Counter Healthcare revenues, gross profit decreased from 64.1% during 2009 to 63.4% during 2010. The decrease in gross profit percentage was primarily the result of higher returns reserves, promotional allowances and product costs, partially offset by increased royalty revenue and lower distribution costs. The increase in returns reserves was for slow moving *Allergen Block* products. The increase in promotional allowances was primarily the result of an increase in trade promotion activity behind the *Chloraseptic*, *Little Remedies* and *Allergen Block* products. The increase in product costs was primarily the result of a change in supplier for certain *Clear Eyes* products. The increase in royalty revenue was the result of royalties received as part of a legal settlement related to our oral care business.

Household Cleaning Segment

Gross profit for the Household Cleaning segment decreased $3.0 million, or 7.2%, during 2010 versus 2009. As a percent of Household Cleaning revenues, gross profit decreased from 35.8% during 2009 to 34.9% during 2010. The decrease in gross profit percentage was the result of higher promotional allowances across the segment and costs associated with the transition to a new *Comet* powder supplier, partially offset by decreased product costs for *Chore Boy* and *Comet*.

Personal Care Segment

Gross profit for the Personal Care segment increased $567,000, or 14.6%, during 2010 versus 2009. As a percent of Personal Care revenues, gross profit increased from 38.2% during 2009 to 40.9% during 2010. The increase in gross profit percentage was due to lower promotional allowances and obsolescence costs for *Cutex*.

Contribution Margin

	2010 Contribution Margin	%	2009 Contribution Margin	%	Increase (Decrease)	%
OTC Healthcare	$ 90,194	50.0	$ 83,821	47.4	$ 6,373	7.6
Household Cleaning	31,919	28.8	33,933	29.2	(2,014)	(5.9)
Personal Care	4,087	37.6	3,420	33.7	667	19.5
	$ 126,200	41.8	$ 121,174	40.0	$ 5,026	4.1

Contribution Margin, defined as gross profit less advertising and promotional expenses, for 2010 increased $5.0 million, or 4.1%, versus 2009. The contribution margin increase was the result of a $6.5 million, or 17.3%, decrease in advertising and promotional spending, partially offset by the decrease in gross profit as previously discussed. The decrease in advertising and promotional spending was primarily attributable to decreases in media support for both the Over-the-Counter Healthcare and Household Cleaning segments, and market research for the Over-the-Counter Healthcare segment.

Over-the-Counter Healthcare Segment

Contribution margin for the Over-the-Counter Healthcare segment increased $6.4 million, or 7.6%, during 2010 versus 2009. The contribution margin increase was the result of the increase in gross margin as previously discussed and a $5.5 million, or 18.4%, decrease in advertising and promotional spending. The decrease in advertising and promotional spending was primarily attributable to a decrease in media support for the *Allergen Block* and *Murine Earigate* products, partially offset by increased media support behind *The Doctor's Nightguard*.

Household Cleaning Segment

Contribution margin for the Household Cleaning segment decreased $2.0 million, or 5.9%, during 2010 versus 2009. The contribution margin decrease was the result of the decrease in gross profit as previously discussed, partially offset by a decrease in media support for *Comet Mildew Spray Gel*.

Personal Care Segment

Contribution margin for the Personal Care segment increased $667,000, or 19.5%, during 2010 versus 2009. The contribution margin increase was the result of the increase in gross profit as previously discussed and a modest reduction in trade promotion and broker commissions for *Cutex*.

General and Administrative

General and administrative expenses were $34.2 million for 2010 versus $31.9 million for 2009. The increase in expense was due to a $2.5 million net charge associated with the reduction in workforce and the CEO transition, which took place in our second fiscal quarter, and increased employee incentive compensation expenses, partially offset by a reduction in legal expenses and favorable currency translation costs.

Depreciation and Amortization

Depreciation and amortization expense was $10.5 million for 2010 versus $9.4 million for 2009. Amortization was affected by the transfer of two trademarks in the Household Cleaning segment and one trademark in the Over-the-Counter Healthcare segment, aggregating $45.6 million, from indefinite-lived status to intangibles with finite lives. Commencing April 1, 2009, these intangibles are being amortized to operations over a 20 year estimated useful life. This increase in amortization expense was partially offset by a reduction in amortization resulting from a trademark that became fully amortized at March 31, 2009, resulting in a net increase in depreciation and amortization expense of $1.1 million for the period.

Impairment of Intangible Assets and Goodwill

During the fourth quarter of 2010, an impairment analysis of intangible assets and goodwill was performed. As a result, a non-cash charge of $2.8 million was recorded in 2010 related to the impairment of goodwill for one of the brands in the Personal Care segment. The impairment charge related to goodwill was the result of the carrying value exceeding the fair market value as a result of distribution losses to private label brands. During 2009, a similar impairment analysis of intangible assets and goodwill was performed. As a result, non-cash charges were recorded in 2009 related to the impairment of certain intangible assets and goodwill of $58.6 million and $190.7 million, respectively. The impairment charges related to intangible assets and goodwill were the result of their carrying value exceeding their fair market value as a result of declining sales and current market conditions. The impairment charges for Over-the-Counter, Household and Personal Care segments were $166.6 million, $81.3 million and $1.4 million, respectively. No impairment charges were recorded in 2008.

Interest Expense

Net interest expense was $22.9 million during 2010 versus $28.4 million during 2009. The reduction in interest expense was primarily the result of a lower level of indebtedness combined with a reduction of interest rates on our senior debt. The average cost of funds decreased from 7.2% for 2009 to 6.5% for 2010 while the average indebtedness decreased from $394.8 million during 2009 to $353.2 million during 2010.

Loss on Extinguishment of Debt

During 2010, the Company refinanced its long-term debt with a new senior credit facility and senior notes. As a result of the refinancing, the Company incurred $2.7 million of expense related to the extinguished debt. The expense consisted of a $2.2 million non-cash charge and a $500,000 premium paid to tender bonds.

Income Taxes

The provision for income taxes during 2010 was $21.8 million versus a benefit for income taxes of $9.9 million in 2009. The effective tax rate was 41.1% during 2010 versus (5.0)% during 2009. The 2010 tax rate reflects the impact of a non-deductible impairment charge to goodwill for one of the brands in the Personal Care segment. In addition, the tax rate reflects the impact of a $930,000 non-cash charge to deferred tax liability as a result of increasing the Company's future effective tax rate from 37.9% to 38.2%. The increase in the future effective tax rate is a result of the divestiture of the shampoo business which increases the overall effective state tax rate on continuing operations. The new effective rate is applicable for tax years starting after March 31, 2010. The 2009 tax rate includes a tax benefit of $29.4 million related to the impairment charges of intangible assets and goodwill recorded during the period.

Fiscal 2009 compared to Fiscal 2008

Revenues

	2009 Revenues	%	2008 Revenues	%	Increase (Decrease)	%
OTC Healthcare	$ 176,975	58.4	$ 183,692	58.3	$ (6,717)	(3.7)
Household Cleaning	116,015	38.3	121,127	38.4	(5,112)	(4.2)
Personal Care	10,157	3.3	10,288	3.3	(131)	(1.3)
	$ 303,147	100.0	$ 315,107	100	$ (11,960)	(3.8)

Revenues decreased across all reporting segments during fiscal 2009 by an aggregate $12.0 million, or 3.8% compared to 2008. Revenues from customers outside of North America, which represents 3.6% of total revenues, decreased 16.6% in 2009 compared to 2008.

Over-the-Counter Healthcare Segment

Revenues of the Over-the-Counter Healthcare segment decreased $6.7 million, or 3.7%, during 2009 versus 2008. Revenue from the launch of the new Allergen Block products, marketed under the *Chloraseptic* and *Little Allergies* trademarks, and revenue increases for *Clear Eyes*, *Little Remedies* and *New-Skin* were more than offset by revenue decreases on our wart care brands, as well as the *Murine Ear*, *The Doctor's* and *Dermoplast* brands. *Allergen Block* is a new, innovative and non-medicated allergy product targeted toward allergy sufferers looking for an alternative to medicated products. *Clear Eyes* revenue increased as a result of increased consumer consumption while *Little Remedies* revenue increased as a result of the introduction of the *Saline Nasal Mist* spray, as well as distribution gains and increased consumer consumption of its non-medicated pediatric products. *New-Skin* revenue increased as a result of new distribution and pipeline shipments of a new Poison Ivy skin treatment product. Revenues for the wart care brands, *Compound W* and *Wartner*, decreased primarily due to a price reduction taken on the cryogenic products. This pricing reduction, along with a down-sizing of *Compound W Freeze-off*, was in response to price reductions taken by a major competitor in the category. *Murine Ear's* revenue decreased as a result of slowing consumer consumption. Increased competition in the bruxism category resulted in lower sales of *The Doctor's NightGuard* Dental Protector while *Dermoplast* revenue decreased due to timing of shipments of the institutional spray item and discontinuation of a skin treatment product which had limited distribution.

Household Cleaning Segment

Revenues for the Household Cleaning segment decreased $5.1 million, or 4.2%, during 2009 versus 2008. Revenues for the *Comet* brand increased slightly during the period primarily as a result of increased sales of *Comet* Mildew SprayGel. *Comet's* revenue increase was offset by lower revenues from the other two brands in this segment –*Spic and Span* and *Chore Boy*. The decline in *Spic and Span's* revenue reflected a decline in consumer consumption while *Chore Boy* sales declined as a result of weaker consumption and lower shipments to small grocery wholesale accounts.

Personal Care Segment

Revenues of the Personal Care segment decreased $131,000, or 1.3%, during 2009 versus 2008. Increased revenues for *Cutex* were offset by declines on all other brands in this segment. The increase in revenue for *Cutex* was the result of improving consumer consumption. The decreases in revenues for the other smaller brands in this segment resulted from lower consumption and distribution losses.

Gross Profit

	2009 Gross Profit	%	2008 Gross Profit	%	Increase (Decrease)	%
OTC Healthcare	$ 113,516	64.1	$ 114,348	62.2	$ (832)	(0.7)
Household Cleaning	41,558	35.8	45,668	37.7	(4,110)	(9.0)
Personal Care	3,877	38.2	3,280	31.9	597	18.2
	$ 158,951	52.4	$ 163,296	51.8	$ (4,345)	(2.7)

Gross profit for 2009 decreased by $4.3 million, or 2.7%, versus 2008. As a percent of total revenue, gross profit increased from 51.8% in 2008 to 52.4% in 2009. The increase in gross profit as a percent of revenues was the result of favorable sales mix, the absence of costs related to the voluntary recall of pediatric cough/cold products, price increases taken on select items, and the benefits of our cost reduction program that was initiated in 2008, partially offset by an increase in promotional allowances and unfavorable foreign currency exchange rates.

Over-the-Counter Healthcare Segment

Gross profit for the Over-the-Counter Healthcare segment decreased $832,000, or 0.7%, during 2009 versus 2008. As a percent of Over-the-Counter Healthcare revenue, gross profit increased from 62.2% during 2008 to 64.1% during 2009. The increase in gross profit as a percent of revenues was the result of favorable sales mix toward higher gross margin brands, selling price increases implemented at the end of March 2008, the absence of costs related to the 2008 *Little Remedies* voluntary recall of medicated pediatric cough/cold products and cost reductions, partially offset by higher promotional allowances.

Household Cleaning Segment

Gross profit for the Household Cleaning segment decreased by $4.1 million, or 9.0%, during 2009 versus 2008. As a percent of Household Cleaning revenue, gross profit decreased from 37.7% during 2008 to 35.8% during 2009. The decrease in gross profit percentage was a result of an increase in promotional allowances and higher product costs related to *Comet* and *Spic and Span*.

Personal Care Segment

Gross profit for the Personal Care segment increased $597,000, or 18.2%, during 2009 versus 2008. As a percent of Personal Care revenue, gross profit increased from 31.9% during 2008 to 38.2% during 2009. The increase in gross profit percentage was due to product cost savings and lower inventory obsolescence costs related to *Cutex*.

Contribution Margin

	2009 Contribution Margin	%	2008 Contribution Margin	%	Increase (Decrease)	%
OTC Healthcare	$ 83,821	47.4	$ 88,160	48.0	$ (4,339)	(4.9)
Household Cleaning	33,933	29.2	38,185	31.5	(4,252)	(11.1)
Personal Care	3,420	33.7	2,708	26.3	712	26.3
	$ 121,174	40.0	$ 129,053	41.0	$ (7,879)	(6.1)

Contribution margin, defined as gross profit less advertising and promotional expenses, decreased by $7.9 million, or 6.1%, for 2009 versus 2008. The contribution margin decrease was the result of the decrease in gross profit as previously discussed, and an increase of $3.5 million, or 10.3%, in advertising and promotional spending. The increase in advertising and promotional spending was primarily attributable to introductory media support behind the launch of the two new *Allergen Block* products in the Over-the-Counter Healthcare segment.

Over-the-Counter Healthcare Segment

Contribution margin for the Over-the-Counter Healthcare segment decreased $4.3 million, or 4.9% during 2009 versus 2008. The decrease in contribution margin was the result of a decrease in gross profit as previously discussed, coupled with an increase in advertising and promotional spending of $3.5 million, or 13.4%. An increase in television media support behind the launch of *Allergen Block* was offset by a decrease in media support for *The Doctor's NightGuard* Dental Protector and *Chloraseptic* sore throat products.

Household Cleaning Segment

Contribution margin for the Household Cleaning segment decreased $4.3 million, or 11.1%, during 2009 versus 2008. The contribution margin decrease was the result of the decrease in gross profit as previously discussed, and an increase in advertising and promotional spending of $142,000 or 1.9%. The increase was the result of increased television media support behind *Comet* Mildew SprayGel.

Personal Care Segment

Contribution margin for the Personal Care segment increased $712,000, or 26.3%, during 2009 versus 2008. The contribution margin increase was primarily the result of the gross profit increase previously discussed and a $115,000, or 20.1%, decrease in advertising and promotional expenses.

General and Administrative

General and administrative expenses were $31.9 million for 2009 versus $31.4 million for 2008. The increase in G&A was primarily related to an increase in stock-based compensation costs and unfavorable currency translation costs, partially offset by a decrease in legal expenses and elimination of certain employee incentive compensation expenses. The increase in stock-based compensation resulted from the issuance of options to purchase common stock to members of management in 2009. While the Company reversed performance-based compensation in each of 2008 and 2009, the vesting of options is not subject to performance measurements, being subject only to time vesting. The increase in currency translation costs resulted from the strengthening of the Canadian dollar against the United States dollar. The decrease in legal expenses is due to the absence of arbitration costs in 2009 versus 2008 and a decrease in legal costs related to the defense of certain intellectual property.

Depreciation and Amortization

Depreciation and amortization expense was $9.4 million for 2009 versus $9.2 million for 2008. The slight increase in amortization of intangible assets is related to licensing rights related to the *Allergen Block* trademark.

Impairment of Intangible Assets and Goodwill

During 2009, an impairment analysis of intangible assets and goodwill was performed. As a result, non-cash charges were recorded in 2009 related to the impairment of certain intangible assets and goodwill of $58.6 million and $190.7 million, respectively. The impairment charges related to intangible assets and goodwill were the result of their carrying value exceeding their fair market value as a result of declining sales and current market conditions. The impairment charges for Over-the-Counter, Household and Personal Care segments were $166.6 million, $81.3 million and $1.4 million respectively. No impairment charges were recorded in 2008.

Interest Expense

Net interest expense was $28.4 million during 2009 versus $37.4 million in 2008. The reduction in interest expense was primarily the result of a lower level of indebtedness combined with a reduction of interest rates on our senior debt. The average cost of funds decreased from 8.6% for 2008 to 7.2% for 2009, while the average indebtedness decreased from $437.3 million during 2008 to $394.8 million for 2009.

Income Taxes

The benefit for income taxes during 2009 was $9.9 million versus a provision for income taxes of $19.2 million in 2008. The effective income tax rates were (5.0%) and 37.4% for 2009 and 2008, respectively. The 2009 tax rate includes a tax benefit of $29.4 million related the impairment charges of intangible assets and goodwill recorded during the period.

Liquidity and Capital Resources

Liquidity

We have financed and expect to continue to finance our operations with a combination of borrowings and funds generated from operations. Our principal uses of cash are for operating expenses, debt service, brand acquisitions, working capital and capital expenditures. During the year ended March 31, 2010, the Company issued $150.0 million of 8.25% senior notes due 2018 and entered into a senior secured term loan facility of $150.0 million maturing 2016. A portion of the proceeds from the preceding transactions were used to purchase, redeem or otherwise retire all of the previously issued senior subordinated notes and to repay all amounts under our former credit facility and terminate the associated credit agreement.

	Year Ended March 31,		
(In thousands)	**2010**	**2009**	**2008**
Net cash provided by (used in):			
Operating activities	$ 59,427	$ 66,679	$ 44,989
Investing activities	7,320	(4,672)	(537)
Financing activities	(60,831)	(32,904)	(52,132)

Fiscal 2010 compared to Fiscal 2009

Operating Activities

Net cash provided by operating activities was $59.4 million for 2010 compared to $66.7 million for 2009. The $7.3 million decrease in net cash provided by operating activities was primarily the result of the following:

- A net cash outflow of $3.8 million related to working capital in 2010 compared to a net cash inflow of $7.9 million related to working capital in 2009 resulted in a $11.7 million decrease in working capital, partially offset by

- A net increase of $4.5 million in net income plus non-cash expenses in 2010 compared to 2009.

The increase in working capital in 2010 was primarily the result of an increase in inventory, due to supplier transitions, and an increase in prepaid taxes.

Consistent with 2009, our cash flow from operations exceeded net income due to the substantial non-cash charges related to depreciation and amortization of intangibles, increases in deferred income tax liabilities resulting from differences in the amortization of intangible assets and goodwill for income tax and financial reporting purposes, the amortization of certain deferred financing costs, stock-based compensation costs, as well as the 2010 loss on extinguishment of debt.

Investing Activities

Net cash provided by investing activities was $7.3 million for 2010 compared to net cash used for investing activities of $4.7 million for 2009. The net cash provided by investing activities during the year ended March 31, 2010 was primarily due to the divestiture of the shampoo business partially offset by the acquisition of property and equipment. Net cash used for investing activities during the year ended March 31, 2009 was primarily due to the $4.2 million settlement of a purchase price adjustment associated with the Wartner USA BV acquisition in 2006. The remainder was for the acquisition of property and equipment.

Financing Activities

Net cash used for financing activities was $60.8 million for 2010 compared to $32.9 million for 2009. During the year ended March 31, 2010, we repaid $60.8 million of indebtedness with cash generated from operations and the proceeds from the sale of the shampoo business. On March 24, 2010, we used the proceeds from the issuance of new debt of $296.0 million less $6.6 million of deferred financing costs to retire all of the existing debt, with the exception of $28.1 million which was subsequently retired in April, 2010. We recorded a loss on the extinguishment of debt in the amount of $2.7 million. At March 31, 2010, our outstanding indebtedness was $328.1 million compared to $378.3 million at March 31, 2009.

Fiscal 2009 compared to Fiscal 2008

Operating Activities

Net cash provided by operating activities was $66.7 million for 2009 compared to $45.0 million for 2008. The $21.7 million increase in net cash provided by operating activities was primarily the result of the following:

- A decrease of net income, net of adjustments for the impact of the charge for the impairment of goodwill and intangible assets of $600,000 from $33.9 million for 2008 to $33.3 million for 2009,
- A change in the components of operating assets and liabilities of $22.1 million as a result of net operating assets and liabilities decreasing by $7.9 million in 2009 compared to an increase of $14.2 million in 2008, and
- An increase in non-cash expenses of $731,000 from $15.2 million for 2008 to $15.9 million for 2009.

As a result of the late cough/cold season and the timing of our March 2008 price increase, accounts receivable increased $9.1 million at March 31, 2008 versus March 31, 2007, while at March 31, 2009, accounts receivable were $8.2 million less than those reported at March 31, 2008.

Consistent with 2008, our cash flow from operations exceeded net income due to the substantial non-cash charges related to depreciation and amortization of intangibles, increases in deferred income tax liabilities resulting from differences in the amortization of intangible assets and goodwill for income tax and financial reporting purposes, the amortization of certain deferred financing costs and stock-based compensation, as well as the 2009 goodwill and intangible impairments.

Investing Activities

Net cash used for investing activities was $4.7 million for 2009 compared to $537,000 for 2008. The net cash used for investing activities in 2009 was primarily for the settlement of purchase price contingencies associated with the 2006 acquisition of Wartner USA, B.V., while during 2008, net cash used for investing activities was for the acquisition of property and equipment.

Financing Activities

Net cash used for financing activities was $32.9 million for 2009 compared to $52.1 million for 2008. Due to the expiration of our prior revolving line of credit, general economic conditions and the state of the credit markets, we limited our debt repayments during the latter half of 2009 to only scheduled maturities until we accumulated an additional $30.0 million in operating funds. During 2009, the Company repaid $29.3 million of indebtedness in excess of normal maturities with cash generated from operations, while during 2008 such repayments amounted to $48.6 million. This reduced our outstanding indebtedness to $378.3 million at March 31, 2009 from $463.3 million at March 31, 2007.

Capital Resources

In March and April 2010, the Company retired its Senior Secured Term Loan facility with a maturity date of April 6, 2011 and Senior Subordinated Notes that bore interest at 9.25% with a maturity date of April 15, 2012, and replaced them with Senior Secured Credit Facility with a maturity of April 1, 2016, a Senior Revolving Credit facility with a maturity of April 1, 2015 and Senior Notes that bear interest at 8.25% with a maturity of April 15, 2018. This debt refinancing improved our liquidity position due to the ability to increase the amount of the Senior Secured Credit Facility, obtaining a revolving line of credit and extending the maturities of our indebtedness. The new debt also better positions the Company to pursue acquisitions as part of its growth strategy.

We entered into a $150.0 million Senior Secured Credit Facility with a discount to the lenders of $1.8 million and net proceeds of $148.2 million. The Senior Notes were issued at a aggregate face value of $150.0 million with a discount to bondholders of $2.2 million and net proceeds to us of $147.8 million. The discount was offered to improve the yield to maturity to lenders reflective of market conditions at the time of the offering. In addition to the discount, we incurred $7.3 million of costs primarily related to bank arrangers fee and legal advisors of which $6.6 million was capitalized as deferred financing costs and $0.7 million expensed. The deferred financing costs are being amortized over the term of the loan and notes.

As of March 31, 2010, we had an aggregate of $328.1 million of outstanding indebtedness, which consisted of the following:

- $150.0 million of borrowings under the Senior Secured Credit Facility;
- $28.1 million of 9.25% Senior Subordinated Notes due 2012, which were redeemed in full on April 15, 2010; and
- $150.0 million of 8.25% Senior Notes due 2018.

The Company had $30.0 million of borrowing capacity under the revolving credit facility at such time, as well as $200.0 million under the Senior Credit Facility.

All loans under the Senior Secured Credit Facility bear interest at floating rates, based on either the prime rate, or at our option, the LIBOR rate, plus an applicable margin. The LIBOR rate option contains a floor rate of 1.5%. At March 31, 2010, an aggregate of $150.0 million was outstanding under the Senior Secured Credit Facility at an interest rate of 4.75%.

We use derivative financial instruments to mitigate the impact of changing interest rates associated with our long-term debt obligations. Although we do not enter into derivative financial instruments for trading purposes, all of our derivatives are straightforward over-the-counter instruments with liquid markets. The notional, or contractual, amount of our derivative financial instruments is used to measure the amount of interest to be paid or received and does not represent an actual liability. We account for these financial instruments as cash flow hedges.

In March 2005, we purchased interest rate cap agreements with a total notional amount of $180.0 million, the terms of which were as follows:

Notional Amount	Interest Rate Cap Percentage	Expiration Date
(In millions)		
$ 50.0	3.25%	May 31, 2006
80.0	3.50	May 30, 2007
50.0	3.75	May 30, 2008

In February 2008, we entered into an interest rate swap agreement in the notional amount of $175.0 million, decreasing to $125.0 million at March 26, 2009 to replace and supplement the interest rate cap agreement that expired on May 30, 2008. Under that swap agreement, we agreed to pay a fixed rate of 2.88% while receiving a variable rate based on LIBOR. The agreement terminated and was settled in full on March 26, 2010. The fair value of the interest rate swap agreement is included in either other assets or current liabilities at the balance sheet date. At March 31, 2010, the Company did not participate in an interest rate swap and at March 31, 2009 the fair value of the interest rate swap was $2.2 million, which was included in other current liabilities.

The Senior Secured Credit Facility contains various financial covenants, including provisions that require us to maintain certain leverage and interest coverage ratios and not to exceed annual capital expenditures of $3.0 million. The Senior Secured Credit Facility, as well as the Indenture governing the Senior Notes, contain provisions that accelerate our indebtedness on certain changes in control and restrict us from undertaking specified corporate actions, including asset dispositions, acquisitions, payment of dividends and other specified payments, repurchasing our equity securities in the public markets, incurrence of indebtedness, creation of liens, making loans and investments and transactions with affiliates. Specifically, we must:

- Have a leverage ratio of less than 4.30 to 1.0 for the quarter ended March 31, 2010, decreasing over time to 3.50 to 1.0 for the quarter ending March 31, 2014, and remaining level thereafter, and

- Have an interest coverage ratio of greater than 2.75 to 1.0 for the quarter ended March 31, 2010, increasing over time to 3.25 to 1.0 for the quarter ending March 31, 2013, and remaining level thereafter.

At March 31, 2010, we were in compliance with the applicable financial and restrictive covenants under the Senior Credit Facility and the Indenture governing the Senior Notes. Additionally, management anticipates that in the normal course of operations, the Company will be in compliance with the financial and restrictive covenants during the ensuing year.

At March 31, 2010, we had $150.0 million outstanding under the Senior Secured Credit Facility which matures in April 2016. We are obligated to make quarterly principal payments on the loan equal to $375,000, representing 0.25% of the initial principal amount of the term loan. We also have the ability to borrow an additional $30.0 million under a revolving credit facility and $200.0 million pursuant to the Senior Secured Credit Facility pursuant to an “accordion” feature.

We made repayments against outstanding indebtedness of $60.5 million in excess of scheduled maturities through March 31, 2010 compared to $29.3 million during 2009. During 2009, we built a cash reserve in excess of $30.0 million to provide adequate liquidity given the expiration of our prior revolving credit facility.

Commitments

As of March 31, 2010, we had ongoing commitments under various contractual and commercial obligations as follows:

	Payments Due by Period				
(In Millions) **Contractual Obligations**	**Total**	**Less than 1 Year**	**1 to 3 Years**	**4 to 5 Years**	**After 5 Years**
Long-term debt	$ 328.1	$ 29.6	$ 3.0	$ 3.0	$ 292.5
Interest on long-term debt (1)	141.5	19.7	39.0	38.8	44.0
Purchase obligations:					
Inventory costs (2)	53.0	38.2	7.9	2.2	4.7
Other costs (3)	1.3	1.3	--	--	--
Operating leases	2.7	0.7	1.2	0.8	--
Total contractual cash obligations	$ 526.6	$ 89.5	$ 51.1	$ 44.8	$ 341.2

(1) Represents the estimated interest obligations on the outstanding balances of the Term Loan Facility and Senior Notes, together, assuming scheduled principal payments (based on the terms of the loan agreements) are made and assuming a weighted average interest rate of 6.5%. Estimated interest obligations would be different under different assumptions regarding interest rates or timing of principal payments. If interest rates on borrowings with variable rates increased by 1%, interest expense would increase approximately $1.5 million, in the first year.

(2) Purchase obligations for inventory costs are legally binding commitments for projected inventory requirements to be utilized during the normal course of our operations.

(3) Purchase obligations for other costs are legally binding commitments for marketing, advertising and capital expenditures. Activity costs for molds and equipment to be paid, based solely on a per unit basis without any deadlines for final payment, have been excluded from the table because we are unable to determine the time period over which such activity costs will be paid.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements or financing activities with special-purpose entities.

Inflation

Inflationary factors such as increases in the costs of raw materials, packaging materials, purchased product and overhead may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial condition or results from operations for the periods referred to above, a high rate of inflation in the future could have a material adverse effect on our business, financial condition or results from operations. The recent volatility in crude oil prices has had an adverse impact on transportation costs, as well as, certain petroleum based raw materials and packaging material. Although the Company takes efforts to minimize the impact of inflationary factors, including raising prices to our customers, a high rate of pricing volatility associated with crude oil supplies may continue to have an adverse effect on our operating results.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "PSLRA"), including, without limitation, information within Management's Discussion and Analysis of Financial Condition and Results of Operations. The following cautionary statements are being made pursuant to the provisions of the PSLRA and with the intention of obtaining the benefits of the "safe harbor" provisions of the PSLRA. Although we believe that our expectations are based on reasonable assumptions, actual results may differ materially from those in the forward-looking statements.

Forward-looking statements speak only as of the date of this Annual Report on Form 10-K. Except as required under federal securities laws and the rules and regulations of the SEC, we do not intend to update any forward-looking statements to reflect events or circumstances arising after the date of this Annual Report on Form 10-K, whether as a result of new information, future events or otherwise. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on forward-looking statements included in this Annual Report on Form 10-K or that may be made elsewhere from time to time by, or on behalf of, us. All forward-looking statements attributable to us are expressly qualified by these cautionary statements.

These forward-looking statements generally can be identified by the use of words or phrases such as "believe," "anticipate," "expect," "estimate," "project," "will be," "will continue," "will likely result," or other similar words and phrases. Forward-looking statements and our plans and expectations are subject to a number of risks and uncertainties that could cause actual results to differ materially from those anticipated, and our business in general is subject to such risks. For more information, see "Risk Factors" contained in Item 1A. of this Annual Report on Form 10-K. In addition, our expectations or beliefs concerning future events involve risks and uncertainties, including, without limitation:

- General economic conditions affecting our products and their respective markets,
- Our ability to increase organic growth via new product introductions or line extensions,
- The high level of competition in our industry and markets (including, without limitation, vendor and SKU rationalization and expansion of private label of product offerings),
- Our ability to invest in research and development,
- Our dependence on a limited number of customers for a large portion of our sales,
- Disruptions in our distribution center,
- Acquisitions, dispositions or other strategic transactions diverting managerial resources, or incurrence of additional liabilities or integration problems associated with such transactions,
- Changing consumer trends or pricing pressures which may cause us to lower our prices,
- Increases in supplier prices and transportation and fuel charges,

- Our ability to protect our intellectual property rights,
- Shortages of supply of sourced goods or interruptions in the manufacturing of our products,
- Our level of indebtedness, and ability to service our debt,
- Any adverse judgments rendered in any pending litigation or arbitration,
- Our ability to obtain additional financing, and
- The restrictions imposed by our Senior Credit Facility and the indenture on our operations.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to changes in interest rates because our Senior Secured Credit Facility is variable rate debt. Interest rate changes generally do not affect the market value of the Senior Secured Credit Facility, but do affect the amount of our interest payments and, therefore, our future earnings and cash flows, assuming other factors are held constant. At March 31, 2010, we had variable rate debt of approximately $150.0 million under our Senior Secured Credit Facility.

Holding other variables constant, including levels of indebtedness, a one percentage point increase in interest rates on our variable rate debt would have an adverse impact on pre-tax earnings and cash flows for the year ending March 31, 2011 of approximately $1.5 million.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and supplementary data required by this Item are described in Part IV, Item 15 of this Annual Report on Form 10-K and are presented beginning on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's management, with the participation of its Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures, as defined in Rule 13a–15(e) of the Securities Exchange Act of 1934 (the "Exchange Act") as of March 31, 2010. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of March 31, 2010, the Company's disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports the Company files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act). Internal control over financial reporting is a process designed by, or under the supervision of the Chief Executive Officer and Chief Financial Officer and effected by the Board of Directors, Management and other personnel, to provide reasonable assurance regarding reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable, not absolute, assurance that the control objectives will be met. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate over time.

Management, with the participation of the Chief Executive Officer and Chief Financial Officer, has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2010. In making its assessment, management has used the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework* (the "COSO Criteria").

Based on our assessment utilizing the COSO Criteria, management has concluded that the Company's internal control over financial reporting was effective as of March 31, 2010.

PricewaterhouseCoopers LLP, an independent registered public accounting firm, has issued an attestation report on our internal control over financial reporting, which appears at page F-1 and is incorporated in Part IV, Item 15 of this Annual Report on Form 10-K.

Changes in Internal Control over Financial Reporting

There have been no changes during the quarter ended March 31, 2010 in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

Part III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required to be disclosed by this Item will be contained in the Company's 2010 Proxy Statement, which is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

Information required to be disclosed by this Item will be contained in the Company's 2010 Proxy Statement, which is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required to be disclosed by this Item will be contained in the Company's 2010 Proxy Statement, which is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required to be disclosed by this Item will be contained in the Company's 2010 Proxy Statement, which is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information required to be disclosed by this Item will be contained in the Company's 2010 Proxy Statement, which is incorporated herein by reference.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) (1) Financial Statements

The financial statements and financial statement schedules listed below are set forth at pages F-1 through F-33 of this Annual Report on Form 10-K, which are incorporated herein to this Item as if copied verbatim.

Prestige Brands Holdings, Inc.
Report of Independent Registered Public Accounting Firm,
PricewaterhouseCoopers LLP
Consolidated Statements of Operations for each of the three years in
the period ended March 31, 2010
Consolidated Balance Sheets at March 31, 2010 and 2009
Consolidated Statements of Stockholders' Equity and Comprehensive
Income for each of the three years in the period ended March 31, 2010
Consolidated Statements of Cash Flows for each of the three years
in the period ended March 31, 2010
Notes to Consolidated Financial Statements
Schedule II—Valuation and Qualifying Accounts

(a) (2) Financial Statement Schedules

Schedule II - Valuation and Qualifying Accounts listed in (a)(1) above is incorporated herein by reference as if copied verbatim. Schedules other than those listed in the preceding sentence have been omitted as they are either not required, not applicable, or the information has otherwise been shown in the consolidated financial statements or notes thereto.

(b) Exhibits

See Exhibit Index immediately following the financial statements and financial statement schedules of this Annual Report on Form 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PRESTIGE BRANDS HOLDINGS, INC.

By: /s/ **PETER J. ANDERSON**
Name: Peter J. Anderson
Title: Chief Financial Officer
Date: June 11, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Signature	***Title***	***Date***
/s/ MATTHEW M. MANNELLY Matthew M. Mannelly	President and Chief Executive Officer (Principal Executive Officer)	June 11, 2010
/s/ PETER J. ANDERSON Peter J. Anderson	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 11, 2010
/s/ JOHN E. BYOM John E. Byom	Director	June 11, 2010
/s/ GARY E. COSTLEY Gary E. Costley	Director	June 11, 2010
/s/ CHARLES J. HINKATY Charles J. Hinkaty	Director	June 11, 2010
/s/ PATRICK M. LONERGAN Patrick M. Lonergan	Director	June 11, 2010

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Prestige Brands Holdings, Inc.

Audited Financial Statements

March 31, 2010

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
Prestige Brands Holdings, Inc.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of stockholders' equity and comprehensive income and of cash flows present fairly, in all material respects, the financial position of Prestige Brands Holdings, Inc. and its subsidiaries at March 31, 2010 and 2009, and the results of their operations and their cash flows for each of the three years in the period ended March 31, 2010 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed under Item 15(a)(2) presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2010, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedule, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedule, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

Salt Lake City, Utah
June 11, 2010

Prestige Brands Holdings, Inc.
Consolidated Statements of Operations

(In thousands, except per share data)	Year Ended March 31, 2010	2009	2008
Revenues			
Net sales	$ 296,922	$ 300,937	$ 313,125
Other revenues	5,101	2,210	1,982
Total revenues	302,023	303,147	315,107
Cost of Sales			
Cost of sales (exclusive of depreciation shown below)	144,587	144,196	151,811
Gross profit	157,436	158,951	163,296
Operating Expenses			
Advertising and promotion	31,236	37,777	34,243
General and administrative	34,195	31,888	31,414
Depreciation and amortization	10,552	9,423	9,219
Impairment of goodwill and intangible assets	2,751	249,285	--
Total operating expenses	78,734	328,373	74,876
Operating income (loss)	78,702	(169,422)	88,420
Other (income) expense			
Interest income	(1)	(143)	(675)
Interest expense	22,936	28,579	38,068
Loss on extinguishment of debt	2,656	--	--
Miscellaneous	--	--	(187)
Total other (income) expense	25,591	28,436	37,206
Income (loss) from continuing operations before income taxes	53,111	(197,858)	51,214
Provision (benefit) for income taxes	21,849	(9,905)	19,168
Income (loss) from continuing operations	31,262	(187,953)	32,046
Discontinued Operations			
Income from discontinued operations, net of income tax	696	1,177	1,873
Gain on sale of discontinued operations, net of income tax	157	--	--
Net income (loss)	$ 32,115	$ (186,776)	$ 33,919
Basic earnings (loss) per share			
Income (loss) from continuing operations	$ 0.63	$ (3.76)	$ 0.64
Net Income (Loss)	$ 0.64	$ (3.74)	$ 0.68
Diluted earnings (loss) per share			
Income (loss) from continuing operations	$ 0.62	$ (3.76)	$ 0.64
Net Income (Loss)	$ 0.64	$ (3.74)	$ 0.68
Weighted average shares outstanding:			
Basic	50,013	49,935	49,751
Diluted	50,085	49,935	50,039

See accompanying notes.

Prestige Brands Holdings, Inc.
Consolidated Balance Sheets

(In thousands)	March 31,	
Assets	**2010**	**2009**
Current assets		
Cash and cash equivalents	$ 41,097	$ 35,181
Accounts receivable	30,621	36,025
Inventories	29,162	25,939
Deferred income tax assets	6,353	4,022
Prepaid expenses and other current assets	4,917	1,358
Current assets of discontinued operations	--	1,038
Total current assets	112,150	103,563
Property and equipment	1,396	1,367
Goodwill	111,489	114,240
Intangible assets	559,229	569,137
Other long-term assets	7,148	4,602
Long-term assets of discontinued operations	--	8,472
Total Assets	$ 791,412	$ 801,381
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 12,771	$ 15,898
Accrued interest payable	1,561	5,371
Other accrued liabilities	11,733	9,407
Current portion of long-term debt	29,587	3,550
Total current liabilities	55,652	34,226
Long-term debt		
Principal amount	298,500	374,787
Less unamortized discount	(3,943)	--
Long-term debt, net of unamortized discount	294,557	374,787
Deferred income tax liabilities	112,144	97,983
Total Liabilities	462,353	506,996
Commitments and Contingencies – Note 16		
Stockholders' Equity		
Preferred stock - $0.01 par value		
Authorized – 5,000 shares		
Issued and outstanding – None		
Common stock - $0.01 par value		
Authorized – 250,000 shares		
Issued – 50,154 shares at March 31, 2010 and 50,060 at March 31, 2009	502	501
Additional paid-in capital	384,027	382,803
Treasury stock, at cost – 124 shares at March 31, 2010 and 2009, respectively	(63)	(63)
Accumulated other comprehensive income (loss)	--	(1,334)
Retained earnings (accumulated deficit)	(55,407)	(87,522)
Total Stockholders' Equity	329,059	294,385
Total Liabilities and Stockholders' Equity	$ 791,412	$ 801,381

See accompanying notes.

Prestige Brands Holdings, Inc.
Consolidated Statement of Changes in Stockholders' Equity and Comprehensive Income

(In thousands)	Common Stock Par Shares	Common Stock Value	Additional Paid-in Capital	Treasury Stock Shares	Treasury Stock Amount	Accumulated Other Comprehensive Income	Retained Earnings	Totals
Balances at March 31, 2007	50,060	$ 501	$ 379,225	55	$ (40)	$ 313	$ 65,335	$ 445,334
Stock-based compensation	--	--	1,139	--	--	--	--	1,139
Purchase of common stock for treasury	--	--	--	4	(7)	--	--	(7)
Components of comprehensive income								
Net income	--	--	--	--	--	--	33,919	33,919
Amortization of interest rate caps reclassified into earnings, net of income tax expense of $228	--	--	--	--	--	373	--	373
Unrealized loss on interest rate caps, net of income tax benefit of $458	--	--	--	--	--	(738)	--	(738)
Unrealized loss on interest rate swap, net of income tax benefit of $580	--	--	--	--	--	(947)	--	(947)
Total comprehensive income	--	--	--	--	--	--	--	32,607
Balances at March 31, 2008	50,060	$ 501	$ 380,364	59	$ (47)	$ (999)	$ 99,254	$ 479,073
Stock-based compensation	--	--	2,439	--	--	--	--	2,439
Purchase of common stock for treasury	--	--	--	65	(16)	--	--	(16)
Components of comprehensive income								
Net income	--	--	--	--	--	--	(186,776)	(186,776)
Amortization of interest rate caps reclassified into earnings, net of income tax expense of $32	--	--	--	--	--	53	--	53
Unrealized loss on interest rate caps, net of income tax benefit of $238	--	--	--	--	--	(388)	--	(388)
Total comprehensive income	--	--	--	--	--	--	--	(187,111)
Balances at March 31, 2009	50,060	$ 501	$ 382,803	124	$ (63)	$ (1,334)	$ (87,522)	$ 294,385

See accompanying notes.

Prestige Brands Holdings, Inc.
Consolidated Statement of Changes in Stockholders' Equity and Comprehensive Income

	Common Stock		Additional Paid-in Capital	Treasury Stock		Accumulated Other Comprehensive Income	Retained Earnings	Totals
	Shares	Par Value		Shares	Amount			
Balances at March 31, 2009	50,060	$ 501	$ 382,803	124	$ (63)	$ (1,334)	$ (87,522)	$ 294,385
Stock-based compensation	94	1	1,224	--	--	--	--	1,225
Components of comprehensive income								
Net Income	--	--	--	--	--	--	32,115	32,115
Amortization of interest rate caps reclassified into earnings, net of income tax expense of $818	--	--	--	--	--	1,334	--	1,334
Total comprehensive income	--	--	--	--	--	--	--	33,449
Balances at March 31, 2010	50,154	$ 502	$ 384,027	124	$ (63)	$ --	$ (55,407)	$ 329,059

See accompanying notes.

Prestige Brands Holdings, Inc.
Consolidated Statements of Cash Flows

(In thousands)	Year Ended March 31, 2010	2009	2008
Operating Activities			
Net income (loss)	$ 32,115	$ (186,776)	$ 33,919
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	11,450	11,219	11,014
Gain on sale of discontinued operations	(253)	--	--
Deferred income taxes	11,012	(19,955)	10,096
Amortization of deferred financing costs	1,926	2,233	3,007
Impairment of goodwill and intangible assets	2,751	249,590	--
Stock-based compensation costs	2,085	2,439	1,139
Loss on extinguishment of debt	2,166	--	--
Changes in operating assets and liabilities, net of effects of purchases of businesses			
Accounts receivable	6,404	8,193	(9,052)
Inventories	(3,351)	2,719	477
Prepaid expenses and other current assets	(3,559)	458	(381)
Accounts payable	(3,127)	(2,265)	(975)
Accrued liabilities	(192)	(1,176)	(4,255)
Net cash provided by operating activities	59,427	66,679	44,989
Investing Activities			
Purchases of equipment	(673)	(481)	(488)
Proceeds from sale of discontinued operations	7,993	--	--
Purchases of intangible assets	--	--	(33)
Business acquisition purchase price adjustments	--	(4,191)	(16)
Net cash provided by (used for) investing activities	7,320	(4,672)	(537)
Financing Activities			
Proceeds from issuance of debt	296,046	--	--
Payment of deferred financing costs	(6,627)	--	--
Repayment of long-term debt	(350,250)	(32,888)	(52,125)
Purchase of common stock for treasury	--	(16)	(7)
Net cash used for financing activities	(60,831)	(32,904)	(52,132)
Increase (decrease) in cash	5,916	29,103	(7,680)
Cash - beginning of year	35,181	6,078	13,758
Cash - end of year	$ 41,097	$ 35,181	$ 6,078
Interest paid	$ 24,820	$ 26,745	$ 36,840
Income taxes paid	$ 15,494	$ 9,844	$ 9,490

See accompanying notes.

1. Business and Basis of Presentation

Nature of Business

Prestige Brands Holdings, Inc. (referred to herein as the "Company" which reference shall, unless the context requires otherwise, be deemed to refer to Prestige Brands Holdings, Inc. and all of its direct or indirect wholly-owned subsidiaries on a consolidated basis) is engaged in the marketing, sales and distribution of over-the-counter healthcare, personal care and household cleaning brands to mass merchandisers, drug stores, supermarkets, club and dollar stores primarily in the United States, Canada and certain other international markets. Prestige Brands Holdings, Inc. is a holding company with no assets or operations and is also the parent guarantor of the senior credit facility and the senior notes more fully described in Note 10 to the consolidated financial statements.

Basis of Presentation

The Company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. All significant intercompany transactions and balances have been eliminated in consolidation. The Company's fiscal year ends on March 31st of each year. References in these consolidated financial statements or notes to a year (e.g., "2010") mean the Company's fiscal year ended on March 31st of that year.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Company's knowledge of current events and actions that the Company may undertake in the future, actual results could differ from those estimates. As discussed below, the Company's most significant estimates include those made in connection with the valuation of intangible assets, sales returns and allowances, trade promotional allowances and inventory obsolescence.

Cash and Cash Equivalents

The Company considers all short-term deposits and investments with original maturities of three months or less to be cash equivalents. Substantially all of the Company's cash is held by a large regional bank with headquarters in California. The Company does not believe that, as a result of this concentration, it is subject to any unusual financial risk beyond the normal risk associated with commercial banking relationships.

Accounts Receivable

The Company extends non-interest-bearing trade credit to its customers in the ordinary course of business. The Company maintains an allowance for doubtful accounts receivable based upon historical collection experience and expected collectability of the accounts receivable. In an effort to reduce credit risk, the Company (i) has established credit limits for all of its customer relationships, (ii) performs ongoing credit evaluations of customers' financial condition, (iii) monitors the payment history and aging of customers' receivables, and (iv) monitors open orders against an individual customer's outstanding receivable balance.

Inventories

Inventories are stated at the lower of cost or fair value, where cost is determined by using the first-in, first-out method. The Company provides an allowance for slow moving and obsolete inventory, whereby it reduces inventories for the diminution of value, resulting from product obsolescence, damage or other issues affecting marketability, equal to the difference between the cost of the inventory and its estimated market value. Factors utilized in the determination of estimated market value include (i) current sales data and historical return rates, (ii) estimates of future demand, (iii) competitive pricing pressures, (iv) new product introductions, (v) product expiration dates, and (vi) component and packaging obsolescence.

Property and Equipment
Property and equipment are stated at cost and are depreciated using the straight-line method based on the following estimated useful lives:

	Years
Machinery	5
Computer equipment	3
Furniture and fixtures	7

Leasehold improvements are amortized over the lesser of the term of the lease or 5 years.

Expenditures for maintenance and repairs are charged to expense as incurred. When an asset is sold or otherwise disposed of, the cost and associated accumulated depreciation are removed from the accounts and the resulting gain or loss is recognized in the consolidated statement of operations.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. An impairment loss is recognized if the carrying amount of the asset exceeds its fair value.

Goodwill
The excess of the purchase price over the fair market value of assets acquired and liabilities assumed in purchase business combinations is classified as goodwill. The Company does not amortize goodwill, but performs impairment tests of the carrying value at least annually in the fourth fiscal quarter of each year. The Company tests goodwill for impairment at the reporting unit “brand” level which is one level below the operating segment level.

Intangible Assets
Intangible assets, which are composed primarily of trademarks, are stated at cost less accumulated amortization. For intangible assets with finite lives, amortization is computed on the straight-line method over estimated useful lives ranging from 3 to 30 years.

Indefinite-lived intangible assets are tested for impairment at least annually in the fourth fiscal quarter; however, at each reporting period an evaluation is made to determine whether events and circumstances continue to support an indefinite useful life. Intangible assets with finite lives are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their fair values and may not be recoverable. An impairment loss is recognized if the carrying amount of the asset exceeds its fair value.

Deferred Financing Costs
The Company has incurred debt origination costs in connection with the issuance of long-term debt. These costs are capitalized as deferred financing costs and amortized using the straight-line method, which approximates the effective interest method, over the term of the related debt.

Revenue Recognition
Revenues are recognized when the following criteria are met: (i) persuasive evidence of an arrangement exists; (ii) the selling price is fixed or determinable; (iii) the product has been shipped and the customer takes ownership and assumes the risk of loss; and (iv) collection of the resulting receivable is reasonably assured. The Company has determined that these criteria are met and the transfer of the risk of loss generally occurs when product is received by the customer and, accordingly, recognizes revenue at that time. Provision is made for estimated discounts related to customer payment terms and estimated product returns at the time of sale based on the Company’s historical experience.

As is customary in the consumer products industry, the Company participates in the promotional programs of its customers to enhance the sale of its products. The cost of these promotional programs varies based on the actual number of units sold during a finite period of time. These promotional programs consist of direct-to-consumer incentives such as coupons and temporary price reductions, as well as incentives to the Company’s customers, such as slotting fees and cooperative advertising. Estimates of the costs of these promotional programs are based on (i) historical sales experience, (ii) the current offering, (iii) forecasted data, (iv) current market conditions, and (v) communication with customer purchasing/marketing personnel. At the completion of the promotional program, the estimated amounts are adjusted to actual results.

Due to the nature of the consumer products industry, the Company is required to estimate future product returns. Accordingly, the Company records an estimate of product returns concurrent with recording sales which is made after analyzing (i) historical return rates, (ii) current economic trends, (iii) changes in customer demand, (iv) product acceptance, (v) seasonality of the Company's product offerings, and (vi) the impact of changes in product formulation, packaging and advertising.

Cost of Sales
Cost of sales includes product costs, warehousing costs, inbound and outbound shipping costs, and handling and storage costs. Shipping, warehousing and handling costs were $21.4 million for 2010, $22.5 million for 2009 and $23.2 for 2008.

Advertising and Promotion Costs
Advertising and promotion costs are expensed as incurred. Slotting fees associated with products are recognized as a reduction of sales. Under slotting arrangements, the retailers allow the Company's products to be placed on the stores' shelves in exchange for such fees.

Stock-based Compensation
The Company recognizes stock-based compensation by measuring the cost of services to be rendered based on the grant-date fair value of the equity award. Compensation expense is to be recognized over the period an employee is required to provide service in exchange for the award, generally referred to as the requisite service period.

Income Taxes
Deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is established when necessary to reduce deferred tax assets to the amounts expected to be realized.

The Taxes Topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") prescribes a recognition threshold and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. As a result, the Company has applied a more-likely-than-not recognition threshold for all tax uncertainties. The guidance only allows the recognition of those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the various taxing authorities.

The Company is subject to taxation in the United States and various state and foreign jurisdictions.

The Company classifies penalties and interest related to unrecognized tax benefits as income tax expense in the Statements of Operations.

Derivative Instruments
Companies are required to recognize derivative instruments as either assets or liabilities in the consolidated Balance Sheets at fair value. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, further, on the type of hedging relationship. For those derivative instruments that are designated and qualify as hedging instruments, a company must designate the hedging instrument, based upon the exposure being hedged, as a fair value hedge, a cash flow hedge or a hedge of a net investment in a foreign operation.

The Company has designated its derivative financial instruments as cash flow hedges because they hedge exposure to variability in expected future cash flows that are attributable to interest rate risk. For these hedges, the effective portion of the gain or loss on the derivative instrument is reported as a component of other comprehensive income (loss) and reclassified into earnings in the same line item (principally interest expense) associated with the forecasted transaction in the same period or periods during which the hedged transaction affects earnings. Any ineffective portion of the gain or loss on the derivative instruments is recorded in results of operations immediately. Cash flows from these instruments are classified as operating activities.

Earnings Per Share
Basic earnings per share is calculated based on income available to common stockholders and the weighted-average number of shares outstanding during the reporting period. Diluted earnings per share is calculated based on income available to common stockholders and the weighted-average number of common and potential common shares outstanding during the reporting period. Potential common shares, composed of the incremental common shares issuable upon the exercise of stock options, stock appreciation rights and unvested restricted shares, are included in the earnings per share calculation to the extent that they are dilutive.

Reclassifications
Certain prior period financial statement amounts have been reclassified to conform to the current period presentation.

Recently Issued Accounting Standards
In April 2010, the FASB issued authoritative guidance to provide clarification regarding the classification requirements of a share-based payment award with an exercise price denominated in the currency of a market in which a substantial portion of the entity's equity securities trade. The guidance states that such an award should not be considered to contain a market, performance, or service condition and should not be classified as a liability if it otherwise qualifies as an equity classification. This guidance is effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The Company does not expect this guidance to have a material impact on its consolidated financial statements.

In May 2009, the FASB issued guidance regarding subsequent events, which was subsequently updated in February 2010. This guidance established general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. In particular, this guidance set forth the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, the circumstances under which an entity should recognize events or transactions occurring after the balance sheet date in its financial statements, and the disclosures that an entity should make about events or transactions that occurred after the balance sheet date. This guidance was effective for financial statements issued for fiscal years and interim periods ending after June 15, 2009, and was therefore adopted by the Company for the second quarter 2009 reporting. The adoption did not have a significant impact on the subsequent events that the Company reports, either through recognition or disclosure, in the consolidated financial statements. In February 2010, the FASB amended its guidance on subsequent events to remove the requirement to disclose the date through which an entity has evaluated subsequent events, alleviating conflicts with current SEC guidance. This amendment was effective immediately and the Company therefore removed the disclosure in this Annual Report.

In January 2010, the FASB issued authoritative guidance requiring new disclosures and clarifying some existing disclosure requirements about fair value measurement. Under the new guidance, a reporting entity should (a) disclose separately the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and describe the reasons for the transfers, and (b) present separately information about purchases, sales, issuances, and settlements in the reconciliation for fair value measurements using significant unobservable inputs. This guidance is effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances, and settlements in the roll forward of activity in Level 3 fair value measurements. Those disclosures are effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The new guidance requires only enhanced disclosures and the Company does not expect this guidance to have a material impact on its consolidated financial statements.

In August 2009, the FASB issued authoritative guidance to provide clarification on measuring liabilities at fair value when a quoted price in an active market is not available. In these circumstances, a valuation technique should be applied that uses either the quote of the liability when traded as an asset, the quoted prices for similar liabilities or similar liabilities when traded as assets, or another valuation technique consistent with existing fair value measurement guidance, such as an income approach or a market approach. The new guidance also clarifies that when estimating the fair value of a liability, a reporting entity is not required to include a separate input or adjustment to other inputs relating to the existence of a restriction that prevents the transfer of the liability. This guidance became effective beginning with the third quarter of the Company's 2010 fiscal year; however, the adoption of the new guidance did not have a material impact on the Company's financial position, results from operations or cash flows.

In June 2009, the FASB issued authoritative guidance to eliminate the exception to consolidate a qualifying special-purpose entity, change the approach to determining the primary beneficiary of a variable interest entity and require companies to more frequently re-assess whether they must consolidate variable interest entities. Under the new guidance, the primary beneficiary of a variable interest entity is identified qualitatively as the enterprise that has both (a) the power to direct the activities of a variable interest entity that most significantly impact the entity's economic performance, and (b) the obligation to absorb losses of the entity that could potentially be significant to the variable interest entity or the right to receive benefits from the entity that could potentially be significant to the variable interest entity. This guidance becomes effective for the Company's fiscal 2011 year-end and interim reporting periods. The Company does not expect this guidance to have a material impact on its consolidated financial statements.

In June 2009, the FASB established the FASB ASC as the source of authoritative accounting principles recognized by the FASB to be applied in the preparation of financial statements in conformity with generally accepted accounting principles. The new guidance explicitly recognizes rules and interpretive releases of the SEC under federal securities laws as authoritative GAAP for SEC registrants. The new guidance became effective for our financial statements issued for the three and six month periods ending on September 30, 2009.

The Derivatives and Hedging Topic of the FASB ASC was amended to require a company with derivative instruments to disclose information to enable users of the financial statements to understand (i) how and why the company uses derivative instruments, (ii) how derivative instruments and related hedged items are accounted for, and (iii) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. Accordingly, the Derivatives and Hedging Topic now requires qualitative disclosures about objectives and strategies for using derivatives, quantitative disclosures about fair value amounts of and gains and losses on derivative instruments, and disclosures about credit-risk-related contingent features in derivative agreements. The amendments to the Derivatives and Hedging Topic were effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. The implementation of the Derivatives and Hedging guidance required enhanced disclosures of derivative instruments and the Company's hedging activities and did not have any impact on the Company's financial position, results from operations or cash flows.

Management has reviewed and continues to monitor the actions of the various financial and regulatory reporting agencies and is currently not aware of any other pronouncement that could have a material impact on the Company's consolidated financial position, results of operations or cash flows.

2. Discontinued Operations and Sale of Certain of Assets

In October 2009, the Company sold certain assets related to the shampoo brands previously included in its Personal Care products segment to an unrelated third party. In accordance with the Discontinued Operations Topic of the ASC, the Company reclassified the related assets as held for sale in the consolidated balance sheets as of March 31, 2009 and reclassified the related operating results as discontinued in the consolidated financial statements and related notes for all periods presented. The Company recognized a gain of $253,000 on a pre-tax basis and $157,000 net of tax effects on the sale in the quarter ended December 31, 2009.

The following table presents the assets related to the discontinued operations as of March 31, 2009 (in thousands):

Inventory	$	1,038
Intangible assets		8,472
Total assets held for sale	$	9,510

The following table summarizes the results of discontinued operations (in thousands):

	Year Ended March 31,		
	2010	2009	2008
Components of Income			
Revenues	$ 5,053	$ 9,568	$ 11,496
Income before income taxes	1,121	1,896	2,994

The total sale price for the assets was $9 million, with $8 million received upon closing, and the remaining $1 million to be received on the first anniversary of the closing.

3. Acquisition of Businesses

Acquisition of Wartner USA B.V.
On September 21, 2006, the Company completed the acquisition of the ownership interests of Wartner USA B.V., the owner of the *Wartner* brand of over-the-counter wart treatment products. The Company expects that the *Wartner* brand, which is the #3 brand in the United States over-the-counter wart treatment category, along with the acquired technology, will continue to enhance the Company's leadership in the category. Additionally, the Company believes that the brand will continue to benefit from a targeted advertising and marketing program, as well as the Company's business model of outsourcing manufacturing and the elimination of redundant operations. The results from operations of the *Wartner* brand have been included within the Company's consolidated financial statements as a component of the Over-the-Counter Healthcare segment commencing September 21, 2006.

The purchase price of the ownership interests was approximately $31.2 million, including fees and expenses of the acquisition of $216,000 and the assumption of approximately $5.0 million of contingent payments, with an originally estimated fair value of $3.8 million, owed to the former owner of *Wartner* through 2011. The Company funded the cash acquisition price from operating cash flows. During 2009, the Company paid the former owner $4.0 million in full satisfaction of all obligations due to such former owner.

The following table summarizes the fair values of the assets acquired and the liabilities assumed at the date of acquisition.

(In thousands)	
Inventory	$ 769
Intangible assets	29,600
Goodwill	11,746
Accrued liabilities	(3,854)
Deferred tax liabilities	(7,000)
	$ 31,261

The amount allocated to intangible assets of $29.6 million includes $17.8 million related to the *Wartner* brand trademark which the Company estimates to have a useful life of 20 years, as well as $11.8 million related to a patent estimated to have a useful life of 14 years. Goodwill resulting from this transaction was $11.7 million, inclusive of a deferred income tax liability recorded for the difference between the assigned values of assets acquired and liabilities assumed, and their respective taxes bases. It is estimated that of such amount, approximately $4.7 million will be deductible for income tax purposes.

4. Accounts Receivable

Accounts receivable consist of the following (in thousands):

	March 31, 2010	March 31, 2009
Trade accounts receivable	$ 35,527	$ 37,521
Other receivables	1,588	1,081
	37,115	38,602
Less allowances for discounts, returns and uncollectible accounts	(6,494)	(2,577)
	$ 30,621	$ 36,025

5. Inventories

Inventories consist of the following (in thousands):

	March 31, 2010	March 31, 2009
Packaging and raw materials	$ 2,037	$ 1,955
Finished goods	27,125	23,984
	$ 29,162	$ 25,939

Inventories are shown net of allowances for obsolete and slow moving inventory of $2.0 million and $1.4 million at March 31, 2010 and 2009, respectively.

6. Property and Equipment

Property and equipment consist of the following (in thousands):

	March 31, 2010	March 31, 2009
Machinery	$ 1,620	$ 1,556
Computer equipment	1,570	1,021
Furniture and fixtures	239	239
Leasehold improvements	418	357
	3,847	3,173
Accumulated depreciation	(2,451)	(1,806)
	$ 1,396	$ 1,367

The Company recorded depreciation expense of $645,000, $548,000, $507,000 for 2010, 2009 and 2008, respectively.

7. Goodwill

A reconciliation of the activity affecting goodwill by operating segment is as follows (in thousands):

	Over-the-Counter Healthcare	Household Cleaning	Personal Care	Consolidated
Balance – March 31, 2008				
Goodwill	$ 235,789	$ 72,549	$ 4,643	$ 312,981
Accumulated purchase price adjustments	(2,174)	--	--	(2,174)
Accumulated impairment losses	--	--	(1,892)	(1,892)
	233,615	72,549	2,751	308,915
2009 purchase price adjustments	(3,988)	--	--	(3,988)
2009 impairments	(125,527)	(65,160)	--	(190,687)
Balance – March 31, 2009				
Goodwill	235,789	72,549	4,643	312,981
Accumulated purchase price adjustments	(6,162)	--	--	(6,162)
Accumulated impairment losses	(125,527)	(65,160)	(1,892)	(192,579)
	104,100	7,389	2,751	114,240
2010 impairments	--	--	(2,751)	(2,751)
Balance – March 31, 2010				
Goodwill	$ 235,789	72,549	4,643	312,981
Accumulated purchase price adjustments	(6,162)	--	--	(6,162)
Accumulated impairment losses	(125,527)	(65,160)	(4,643)	(195,330)
	104,100	7,389	--	111,489

At March 31, 2010, in conjunction with the annual test for goodwill impairment, the Company recorded an impairment charge of $2.8 million to adjust the carrying amounts of goodwill related to one reporting unit within the Personal Care segment to its fair value, as determined by use of a discounted cash flow methodology. The impairment was a result of distribution losses and increased competition from private label store brands.

At March 31, 2009, in conjunction with the annual test for goodwill impairment, the Company recorded an impairment charge aggregating $190.7 million to adjust the carrying amounts of goodwill related to several reporting units within the Over-the-Counter Healthcare and Household Cleaning segments to their fair values as determined by use of a discounted cash flow methodology. These charges were a consequence of the challenging economic environment experienced in 2009, the dislocation of the debt and equity markets, and contracting consumer demand for the Company's product offerings.

The discounted cash flow methodology is a widely-accepted valuation technique utilized by market participants in the transaction evaluation process and has been applied consistently. However, we did consider the Company's market capitalization at March 31, 2010 and 2009, as compared to the aggregate fair values of our reporting units to assess the reasonableness of our estimates pursuant to the discounted cash flow methodology. Although the impairment charges represent management's best estimate, the estimates and assumptions made in assessing the fair value of the Company's reporting units and the valuation of the underlying assets and liabilities are inherently subject to significant uncertainties. Consequently, changing rates of interest and inflation, declining sales or margins, increases in competition, changing consumer preferences, technical advances or reductions in advertising and promotion may require additional impairments in the future.

8. Intangible Assets

A reconciliation of the activity affecting intangible assets is as follows (in thousands):

	Year Ended March 31, 2010			
	Indefinite Lived Trademarks	Finite Lived Trademarks	Non Compete Agreement	Totals
Carrying Amounts				
Balance – March 31, 2009	$ 500,176	$ 106,159	$ 158	$ 606,493
Reclassifications	(45,605)	45,605	--	--
Additions				
Deletions	--	(500)	--	(500)
Impairments	--	--	--	--
Balance – March 31, 2010	$ 454,571	$ 151,264	$ 158	$ 605,993
Accumulated Amortization				
Balance – March 31, 2009	$ --	$ 37,214	$ 142	$ 37,356
Additions	--	9,725	16	9,741
Deletions	--	(333)	--	(333)
Balance – March 31, 2010	$ --	$ 46,606	$ 158	$ 46,764
Intangibles, net – March 31, 2010	$ 454,571	$ 104,658	$ --	$ 559,229

	Year Ended March 31, 2009			
	Indefinite Lived Trademarks	Finite Lived Trademarks	Non Compete Agreement	Totals
Carrying Amounts				
Balance – March 31, 2008	$ 544,963	$ 119,470	$ 196	$ 664,629
Additions	--	500	--	500
Deletions	--	--	(38)	(38)
Impairments	(44,787)	(13,811)	--	(58,598)
Balance – March 31, 2009	$ 500,176	$ 106,159	$ 158	$ 606,493
Accumulated Amortization				
Balance – March 31, 2008	$ --	$ 28,377	$ 141	$ 28,518
Additions		8,837	39	8,876
Deletions	--	--	(38)	(38)
Balance – March 31, 2009	$ --	$ 37,214	$ 142	$ 37,356
Intangibles, net – March 31, 2009	$ 500,176	$ 68,945	$ 16	$ 569,137

In a manner similar to goodwill, the Company completed a test for impairment of its intangible assets during the fourth quarter of 2010. Accordingly, the Company recorded no impairment charge as facts and circumstances indicated that the fair values of the intangible assets for such segments exceeded their carrying values.

In a manner similar to goodwill, the Company completed a test for impairment of its intangible assets during the fourth quarter of 2009. Accordingly, the Company recorded an impairment charge aggregating $58.6 million to the Over-the-Counter Healthcare and Household Cleaning segments as facts and circumstances indicated that the carrying values of the intangible assets for such segments exceeded their fair values and may not be recoverable.

The economic events experienced during the fiscal year ended March 31, 2009, as well as the Company's plans and projections for its brands indicated that several of such brands can no longer support indefinite useful lives. Each of these brands incurred an impairment charge during the three month period ended March 31, 2009 and has been adversely affected by increased competition and the macroeconomic environment in the United States. Consequently, at April 1, 2009, management reclassified $45.6 million of previously indefinite-lived intangibles to intangibles with definite lives. Management estimates the remaining useful lives of these intangibles to be 20 years.

The fair values and the annual amortization charges of the reclassified intangibles are as follows (in thousands):

Intangible	Fair Value as of March 31, 2009	Annual Amortization
Household Trademarks	$ 34,888	$ 1,745
OTC Healthcare Trademark	10,717	536
	$ 45,605	$ 2,281

At March 31, 2010, intangible assets are expected to be amortized over a period of 3 to 30 years as follows (in thousands):

Year Ending March 31,	
2011	$ 9,558
2012	9,160
2013	8,612
2014	7,797
2015	6,147
Thereafter	63,386
	$ 104,660

9. Other Accrued Liabilities

Other accrued liabilities consist of the following (in thousands):

	March 31, 2010	March 31, 2009
Accrued marketing costs	$ 3,823	$ 3,519
Accrued payroll	5,233	750
Accrued commissions	285	312
Accrued income taxes	372	679
Accrued professional fees	1,089	1,906
Interest swap obligation	--	2,152
Severance	929	--
Other	2	89
	$ 11,733	$ 9,407

During the second quarter of fiscal 2010, the Company completed a staff reduction program to eliminate approximately 10% of its workforce. The accrued severance balance as of March 31, 2010 is related to this reduction in workforce and consists primarily of the remaining payments of salaries, bonuses and other benefits for separated employees.

The Company has reclassified the interest rate swap liability of $2.2 million as of March 31, 2009 from accounts payable to accrued liabilities. The Company's interest rate swap liability of $2.2 million as of March 31, 2009 terminated before March 26, 2010.

10. Long-Term Debt

Long-term debt consists of the following (in thousands):

	March 31, 2010	March 31, 2009
Senior secured term loan facility ("2010 Senior Term Loan") that bears interest at the Company's option at either the prime rate plus a margin of 2.25% or LIBOR plus 3.25% with a LIBOR floor of 1.5%. At March 31, 2010, the average interest rate on the 2010 Senior Term Loan was 4.75%. Principal payments of $375,000 plus accrued interest are payable quarterly, with the remaining principal due on the 2010 Senior Term Loan maturity date. The 2010 Senior Term Loan matures on March 24, 2016 and is collateralized by substantially all of the Company's assets.	$ 150,000	$ -
Senior secured term loan facility ("Tranche B Term Loan Facility") that bore interest at the Company's option at either the prime rate plus a margin of 1.25% or LIBOR plus a margin of 2.25%. The Tranche B Term Loan Facility was repaid in full during 2010.	--	252,337
Senior unsecured notes ("2010 Senior Notes") that bear interest at 8.25% which are payable on April 1st and October 1st of each year. The 2010 Senior Notes mature on April 1, 2018; however the Company may redeem some or all of the 2010 Senior Notes at redemption prices set forth in the indenture governing the 2010 Senior Notes. The 2010 Senior Notes are unconditionally guaranteed by Prestige Brands Holdings, Inc., and its domestic wholly-owned subsidiaries other than Prestige Brands, Inc., the issuer. Each of these guarantees is joint and several. There are no significant restrictions on the ability of any of the guarantors to obtain funds from their subsidiaries.	150,000	--
Senior subordinated notes ("Senior Subordinated Notes") that bore interest of 9.25% which was payable on April 15th and October 15th of each year. The balance outstanding on the Senior Subordinated Notes as of March 31, 2010 was repaid in full subsequent to year-end, on April 15th, 2010. The Senior Subordinated Notes were unconditionally guaranteed by Prestige Brands Holdings, Inc., and its domestic wholly-owned subsidiaries other than Prestige Brands, Inc., the issuer.	28,087	126,000
	328,087	378,337
Current portion of long-term debt	(29,587)	(3,550)
	298,500	374,787
Less: unamortized discount on the 2010 Senior Notes	(3,943)	--
Long-term debt, net of unamortized discount	$ 294,557	$ 374,787

On March 24, 2010, Prestige Brands, Inc. issued the 2010 Senior Notes for $150 million, with an interest rate of 8.25% and a maturity date of April 1, 2018; and entered into a senior secured term loan facility for $150 million, with an interest rate at LIBOR plus 3.25% with a LIBOR floor of 1.5% and a maturity date of March 24, 2016; and entered into a non-amortizing senior secured revolving credit facility ("2010 Revolving Credit Facility") in an aggregate principal amount of up to $30.0 million. The Company's 2010 Revolving Credit Facility was available for maximum borrowings of $30.0 million at March 31, 2010.

The $150 million 2010 Senior Term Loan was entered into with a discount to lenders of $1.8 million and net proceeds to the Company of $148.2 million, yielding a 5.0% effective interest rate. The 2010 Senior Notes were issued at an aggregate face value of $150 million with a discount to bondholders of $2.2 million and net proceeds to the Company of $147.8 million, yielding a 8.5% effective interest rate.

In connection with entering into the 2010 Senior Term Loan, the 2010 Revolving Credit Facility and the 2010 Senior Notes, the Company incurred $7.3 million in issuance costs, of which $6.6 million was capitalized as deferred financing costs and $0.7 million expensed. The deferred financing costs are being amortized over the terms of the related loan and notes.

In March and April 2010, the Company retired its Tranche B Term Loan facility with an original maturity date of April 11, 2016 and Senior Subordinated Notes that bore interest at 9.25% with a maturity date of April 15, 2012. The Company recognized a $2.7 million loss on the extinguishment of debt.

The 2010 Senior Notes are senior unsecured obligations of the Company and are guaranteed on a senior unsecured basis. The 2010 Senior Notes are effectively junior in right of payment to all existing and future secured obligations of the Company, equal in right of payment with all existing and future senior unsecured indebtedness of the Company, and senior in right of payment to all future subordinated debt of the Company.

At any time prior to April 1, 2014, the Company may redeem the 2010 Senior Notes in whole or in part at a redemption price equal to 100% of the principal amount of the notes redeemed, plus a "make-whole premium" calculated as set forth in the Indenture, together with accrued and unpaid interest, if any, to the date of redemption. The Company may redeem the 2010 Senior Notes in whole or in part at any time on or after the 12-month period beginning April 1, 2014 at a redemption price of 104.125% of the principal amount thereof, at a redemption price of 102.063% of the principal amount thereof if the redemption occurs during the 12-month period beginning on April 1, 2015, and at a redemption price of 100% of the principal amount thereof on and after April 1, 2016, in each case, plus accrued and unpaid interest, if any, to the redemption date. In addition, on or prior to April 1, 2013, with the net cash proceeds from certain equity offerings, the Company may redeem up to 35% in aggregate principal amount of the 2010 Senior Notes at a redemption price of 108.250% of the principal amount of the 2010 Senior Notes to be redeemed, plus accrued and unpaid interest to the redemption date.

The 2010 Senior Term Loan contains various financial covenants, including provisions that require the Company to maintain certain leverage and interest coverage ratios and not to exceed annual capital expenditures of $3.0 million. The 2010 Senior Term Loan and the 2010 Senior Notes also contain provisions that restrict the Company from undertaking specified corporate actions, such as asset dispositions, acquisitions, dividend payments, repurchase of common shares outstanding, changes of control, incurrence of indebtedness, creation of liens, making of loans and transactions with affiliates. Additionally, the 2010 Senior Term Loan and the 2010 Senior Notes contain cross-default provisions whereby a default pursuant to the terms and conditions of certain indebtedness will cause a default on the remaining indebtedness under the 2010 Senior Term Loan, the 2010 Senior Notes and the Senior Subordinated Notes. At March 31, 2010, the Company was in compliance with the applicable financial covenants under its long-term indebtedness.

Future principal payments required in accordance with the terms of the 2010 Senior Term Loan, the 2010 Senior Notes and the Senior Subordinated Notes are as follows (in thousands):

Year Ending March 31		
2011	$	29,587
2012		1,500
2013		1,500
2014		1,500
2015		1,500
Thereafter		292,500
	$	328,087

11. Fair Value Measurements

As deemed appropriate, the Company uses derivative financial instruments to mitigate the impact of changing interest rates associated with its long-term debt obligations. At March 31, 2010, the Company had no open financial derivative financial obligations. While the Company has not entered into derivative financial instruments for trading purposes, all of the Company's derivatives were over-the-counter instruments with liquid markets. The notional, or contractual, amount of the Company's derivative financial instruments were used to measure the amount of interest to be paid or received and did not represent an actual liability. The Company accounted for the interest rate cap and swap agreements as cash flow hedges.

In March 2005, the Company purchased interest rate cap agreements with a total notional amount of $180.0 million, the terms of which were as follows:

Notional Amount	Interest Rate Cap Percentage	Expiration Date
(In millions)		
$ 50.0	3.25%	May 31, 2006
80.0	3.50	May 30, 2007
50.0	3.75	May 30, 2008

The Company entered into an interest rate swap agreement, effective March 26, 2008, in the notional amount of $175.0 million, decreasing to $125.0 million at March 26, 2009 to replace and supplement the interest rate cap agreement that expired on May 30, 2008. The Company agreed to pay a fixed rate of 2.88% while receiving a variable rate based on LIBOR. The agreement terminated on March 26, 2010, and was neither renewed nor replaced.

The Fair Value Measurements and Disclosures Topic of the FASB ASC requires fair value to be determined based on the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market assuming an orderly transaction between market participants. The Fair Value Measurements and Disclosures Topic established market (observable inputs) as the preferred source of fair value to be followed by the Company's assumptions of fair value based on hypothetical transactions (unobservable inputs) in the absence of observable market inputs.

Based upon the above, the following fair value hierarchy was created:

Level 1 – Quoted market prices for identical instruments in active markets,

Level 2 – Quoted prices for similar instruments in active markets, as well as quoted prices for identical or similar instruments in markets that are not considered active, and

Level 3 – Unobservable inputs developed by the Company using estimates and assumptions reflective of those that would be utilized by a market participant.

Quantitative disclosures about the fair value of the Company's derivative hedging instruments are as follows:

		Fair Value Measurements at March 31, 2010		
(In thousands) Description	March 31, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest Rate Swap Liability	$ --	$ --	$ --	$ --

(In thousands) Description	March 31, 2009	Fair Value Measurements at March 31, 2009		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest Rate Swap Liability	$ 2,152	$ --	$ 2,152	$ --

(In thousands) Description	March 31, 2008	Fair Value Measurements at March 31, 2008		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Interest Rate Swap Liability	$ 1,527	$ --	$ 1,527	$ --

A summary of the fair value of the Company's derivatives instruments, their impact on the consolidated statements of operations and comprehensive income and the amounts reclassified from other comprehensive income is as follows (in thousands):

Cash Flow Hedging Instruments	March 31, 2010			For the Year Ended March 31, 2010		
	Balance Sheet Location	Notional Amount	Fair Value Asset/ (Liability)	Income Statement Account Gains/ Losses Charged	Amount Income (Expense) Recognized In Income	Amount Gains (Losses) Recognized In OCI
Interest Rate Swap	Other Accrued Liabilities	$ --	$ --	Interest Expense	$ (2,866)	$ 2,152

Cash Flow Hedging Instruments	March 31, 2009			For the Year Ended March 31, 2009		
	Balance Sheet Location	Notional Amount	Fair Value Asset/ (Liability)	Income Statement Account Gains/ Losses Charged	Amount Income (Expense) Recognized In Income	Amount Gains (Losses) Recognized In OCI
Interest Rate Swap	Other Accrued Liabilities	$ 125	$ (2,152)	Interest Expense	$ (502)	$ (625)

Cash Flow Hedging Instruments	March 31, 2008			For the Year Ended March 31, 2008		
	Balance Sheet Location	Notional Amount	Fair Value Asset/ (Liability)	Income Statement Account Gains/ Losses Charged	Amount Income (Expense) Recognized In Income	Amount Gains (Losses) Recognized In OCI
Interest Rate Swap	Other Accrued Liabilities	$ 175	$ (1,527)	Interest Expense	$ --	$ (1,527)

The Company recorded a charge to interest expense of $2.9 million during 2010 in connection with this interest rate swap agreement. At March 31, 2010, the Company did not participate in an interest rate swap agreement.

At March 31, 2009, the fair value of the interest rate swap was $2.2 million. Such amount was included in current liabilities. The determination of fair value is based on closing prices for similar instruments traded in liquid over-the-counter markets. The changes in the fair value of this interest rate swap were recorded in Accumulated Other Comprehensive Income in the balance sheet due to its designation as a cash flow hedge.

For certain of our financial instruments, including cash, accounts receivable, accounts payable and other current liabilities, the carrying amounts approximate their respective fair values due to the relatively short maturity of these amounts.

At March 31, 2010, the carrying value of the 2010 Senior Term Loan was $150.0 million. The terms of the 2010 Senior Term Loan provide that the interest rate is adjusted, at the Company's option, on either a monthly or quarterly basis, to the prime rate plus a margin of 2.25% or LIBOR, with a floor of 1.5%, plus a margin of 3.25%. At March 31, 2010, the market value of the Company's 2010 Senior Term Loan was approximately $150.8 million.

At March 31, 2010, the carrying value of the Company's 8.25% 2010 Senior Notes was $150.0 million. The market value of these notes was approximately $152.3 million at March 31, 2010. The market values have been determined from market transactions in the Company's debt securities. Also at March 31, 2010, the Company maintained a residual balance of $28.1 million relating to the Senior Subordinated Notes that remained outstanding at fiscal year end. The $28.1 million balance was redeemed in full on April 15, 2010 at par value.

12. Stockholders' Equity

The Company is authorized to issue 250.0 million shares of common stock, $0.01 par value per share, and 5.0 million shares of preferred stock, $0.01 par value per share. The Board of Directors may direct the issuance of the undesignated preferred stock in one or more series and determine preferences, privileges and restrictions thereof.

Each share of common stock has the right to one vote on all matters submitted to a vote of stockholders. The holders of common stock are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors, subject to prior rights of holders of all classes of stock outstanding having priority rights as to dividends. No dividends have been declared or paid on the Company's common stock through March 31, 2010.

During 2009 and 2008, the Company repurchased 65,000 and 4,000 shares, respectively, of restricted common stock from former employees pursuant to the provisions of the various employee stock purchase agreements. The 2009 purchases were at an average price of $0.24 per share while the 2008 purchases were at an average purchase price of $1.70 per share. All of such shares have been recorded as treasury stock. There were no share repurchases during 2010.

13. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share data):

	Year Ended March 31,		
	2010	2009	2008
Numerator			
Income (loss) from continuing operations	$ 31,262	$ (187,953)	$ 32,046
Income from discontinued operations and gain on sale of discontinued operations	853	1,177	1,873
Net income (loss)	$ 32,115	$ (186,776)	$ 33,919
Denominator			
Denominator for basic earnings per share- weighted average shares	50,013	49,935	49,751
Dilutive effect of unvested restricted common stock (including restricted stock units), options and stock appreciation rights issued to employees and directors	72	--	288
Denominator for diluted earnings per share	50,085	49,935	50,039
Earnings per Common Share:			
Basic earnings (loss) per share from continuing operations	$ 0.63	$ (3.76)	$ 0.64
Basic earnings per share from discontinued operations and gain on sale of discontinued operations	0.01	0.02	0.04
Basic net earnings (loss) per share	$ 0.64	$ (3.74)	$ 0.68
Diluted earnings (loss) per share from continuing operations	$ 0.62	$ (3.76)	$ 0.64
Diluted earnings per share from discontinued operations and gain on sale of discontinued operations	0.02	0.02	0.04
Diluted net earnings (loss) per share	$ 0.64	$ (3.74)	$ 0.68

At March 31, 2010, 204,892 shares of restricted stock granted to employees and restricted stock units granted to Board members, subject only to time vesting, were unvested and excluded from the calculation of basic earnings per share; however, such shares were included in the calculation of diluted earnings per share. Additionally, 82,202 shares of restricted stock granted to employees have been excluded from the calculation of both basic and diluted earnings per share because vesting of such shares is subject to contingencies that were not met as of March 31, 2010. Lastly, at March 31, 2010, there were options to purchase 1,330,337 shares of common stock outstanding that were not included in the computation of diluted earnings per share because their exercise price was greater than the average market price of the common stock, and therefore, their inclusion would be antidilutive.

At March 31, 2009, 183,000 shares of restricted stock granted to employees have been excluded from the calculation of both basic and diluted earnings per share since vesting of such shares is subject to contingencies. Additionally, at March 31, 2009, there were options to purchase 663,000 shares of common stock outstanding that were not included in the computation of diluted earnings per share because their exercise price was greater than the average market price of the common stock, and therefore, their inclusion would be antidilutive.

At March 31, 2008, 314,000 restricted shares issued to employees, subject only to time-vesting, were unvested and excluded from the calculation of basic earnings per share; however, such shares were included in the calculation of diluted earnings per share. Additionally, at March 31, 2008, 324,000 shares of restricted stock granted to management and employees, as well as 16,000 stock appreciation rights have been excluded from the calculation of both basic and diluted earnings per share since vesting of such shares is subject to contingencies. Lastly, at March 31, 2008, there were options to purchase 254,000 shares of common stock outstanding that were not included in the computation of diluted earnings per share because their exercise price was greater than the average market price of the common stock, and therefore, their inclusion would be antidilutive.

14. Share-Based Compensation

In connection with the Company's initial public offering, the Board of Directors adopted the 2005 Long-Term Equity Incentive Plan ("the Plan") which provides for the grant, to a maximum of 5.0 million shares, of restricted stock, stock options, restricted stock units, deferred stock units and other equity-based awards. Directors, officers and other employees of the Company and its subsidiaries, as well as others performing services for the Company, are eligible for grants under the Plan.

During 2010, net compensation costs charged against income and the related income tax benefit recognized were $2.1 million and $790,000, respectively. During the year management determined that performance goals associated with the grants of stock to management and employees in May 2008 were met and recorded stock compensation costs accordingly. No prior compensation costs were required to be reversed.

During 2009, net compensation costs charged against income and the related income tax benefit recognized were $2.4 million and $924,000, respectively. During the year management determined that the Company would not meet the performance goals associated with the grants of stock to management and employees in May 2007 and 2008. Therefore, management reversed previously recorded stock compensation costs of $705,000 and $193,000 related to the May 2007 and May 2008 grants, respectively.

During 2008, net compensation costs charged against income, and the related tax benefits recognized were $1.1 million and $433,000, respectively. During the year management determined that the Company would not meet the performance goals associated with the grants of restricted stock to management and employees in October 2005, July 2006 and May 2007. Therefore, management reversed previously recorded stock-based compensation costs of $538,000, $394,000 and $166,000 related to the October 2005, July 2006 and May 2007 grants, respectively.

Restricted Shares

Restricted shares granted to employees under the Plan generally vest in 3 to 5 years, contingent on attainment of Company performance goals, including revenue and earnings before income taxes, depreciation and amortization targets, or the attainment of certain time vesting thresholds. The restricted share awards provide for accelerated vesting if there is a change of control, as defined in the plan or document pursuant to which the awards were made. The fair value of nonvested restricted shares is determined as the closing price of the Company's common stock on the day preceding the grant date. The weighted-average grant-date fair values during 2010, 2009 and 2008 were $7.09, $10.85 and $12.52, respectively.

A summary of the Company's restricted shares granted under the Plan is presented below:

Nonvested Shares	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested at March 31, 2007	294.4	$ 11.05
Granted	292.0	12.52
Vested	(24.8)	10.09
Forfeited	(76.9)	12.35
Nonvested at March 31, 2008	484.7	11.78
Granted	303.5	10.85
Vested	(29.9)	10.88
Forfeited	(415.9)	11.55
Nonvested at March 31, 2009	342.4	11.31
Granted	171.6	7.09
Vested	(47.8)	10.97
Forfeited	(179.1)	11.28
Nonvested at March 31, 2010	287.1	$ 8.86

Options

The Plan provides that the exercise price of the option granted shall be no less than the fair market value of the Company's common stock on the date the option is granted. Options granted have a term of no greater than 10 years from the date of grant and vest in accordance with a schedule determined at the time the option is granted, generally 3 to 5 years. The option awards provide for accelerated vesting if there is a change in control.

The fair value of each option award is estimated on the date of grant using the Black-Scholes Option Pricing Model ("Black-Scholes Model") that uses the assumptions noted in the following table. Expected volatilities are based on the historical volatility of the Company's common stock and other factors, including the historical volatilities of comparable companies. The Company uses appropriate historical data, as well as current data, to estimate option exercise and employee termination behaviors. Employees that are expected to exhibit similar exercise or termination behaviors are grouped together for the purposes of valuation. The expected terms of the options granted are derived from management's estimates and consideration of information derived from the public filings of companies similar to the Company and represent the period of time that options granted are expected to be outstanding. The risk-free rate represents the yield on U.S. Treasury bonds with a maturity equal to the expected term of the granted option. The weighted-average grant-date fair value of the options granted during 2010, 2009 and 2008 were $3.64, $5.04 and $5.30, respectively.

	Year Ended March 31,	
	2010	2009
Expected volatility	45.6%	43.3%
Expected dividends	--	--
Expected term in years	7.0	6.0
Risk-free rate	2.8%	3.2%

A summary of option activity under the Plan is as follows:

Options	Shares (in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value (in thousands)
Outstanding at March 31, 2007	--	$ --	--	$ --
Granted	255.1	12.86	10.0	--
Exercised	--	--	--	--
Forfeited or expired	(1.6)	12.86	9.2	--
Outstanding at March 31, 2008	253.5	12.86	9.2	--
Granted	413.2	10.91	10.0	--
Exercised	--	--	--	--
Forfeited or expired	(4.1)	11.83	9.2	--
Outstanding at March 31, 2009	662.6	11.65	8.8	--
Granted	1,125.0	7.16	9.4	2,070.0
Exercised	--	--	--	--
Forfeited or expired	(203.4)	11.34	7.9	--
Outstanding at March 31, 2010	1,584.2	8.50	8.9	2,070.0
Exercisable at March 31, 2010	297.9	$ 11.96	7.6	$ 2,070.0

Since the Company's closing stock price of $9.00 at March 31, 2010 exceeded the exercise price for the options granted in 2010, the aggregate intrinsic value of outstanding options was $2.1 million. Since the exercise price of the options exceeded the Company's closing stock price of $5.18 at March 31, 2009 and $8.18 at March 31, 2008, the aggregate intrinsic value of outstanding options was $0 at March 31, 2009 and 2008.

Stock Appreciation Rights ("SARS")

During 2007, the Board of Directors granted SARS to a group of selected executives; however, there were no SARS granted during 2008, 2009 or 2010. The terms of the SARS provide that on the vesting date, the executive will receive the excess of the market price of the stock award over the market price of the stock award on the date of issuance. The Board of Directors, in its sole discretion, may settle the Company's obligation to the executive in shares of the Company's common stock, cash, other securities of the Company or any combination thereof.

The Plan provides that the issuance price of a SAR shall be no less than the market price of the Company's common stock on the date the SAR is granted. SARS may be granted with a term of no greater than 10 years from the date of grant and will vest in accordance with a schedule determined at the time the SAR is granted, generally 3 to 5 years. The weighted-average grant date fair value of the SARS granted during 2007 was $3.68. The fair value of each SAR award was estimated on the date of grant using the Black-Scholes Model using the assumptions noted in the following table.

	Year Ended March 31, 2007
Expected volatility	50.00%
Expected dividend	--
Expected term in years	2.75
Risk-free rate	5.00%

The SARs expired on March 31, 2009; and no compensation was paid because the grant-date market price of the Company's common stock exceeded the market value of the Company's common stock on the measurement date.

A summary of SARS activity under the Plan is as follows:

SARS	Shares (in thousands)	Grant Date Stock Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value (in thousands)
Outstanding at March 31, 2007	16.1	9.97	2.0	30,300
Granted	--	--	--	--
Forfeited or expired	--	--	--	--
Outstanding at March 31, 2008	16.1	9.97	1.0	--
Granted	--	--	--	--
Forfeited or expired	(16.1)	(9.97)	--	--
Outstanding at March 31, 2009	--	$ --	--	$ --
Exercisable at March 31, 2009	--	$ --	--	$ --

At March 31, 2010, there were $4.5 million of unrecognized compensation costs related to nonvested share-based compensation arrangements under the Plan based on management's estimate of the shares that will ultimately vest. The Company expects to recognize such costs over a weighted average period of 1.5 years. However, certain of the restricted shares vest upon the attainment of Company performance goals and if such goals are not met, no compensation costs would ultimately be recognized and any previously recognized compensation cost would be reversed. The total fair value of shares vested during 2010, 2009 and 2008, was $525,000, $325,000, and $277,000, respectively. There were no options exercised during 2010, 2009 or 2008; hence there were no tax benefits realized during these periods. At March 31, 2010, there were 3.0 million shares available for issuance under the Plan.

15. Income Taxes

The provision (benefit) for income taxes consists of the following (in thousands):

	Year Ended March 31,		
	2010	2009	2008
Current			
Federal	$ 9,628	$ 9,284	$ 8,599
State	1,313	1,266	1,208
Foreign	415	218	386
Deferred			
Federal	9,113	(17,606)	8,851
State	1,901	(2,348)	1,245
	$ 22,370	$ (9,186)	$ 20,289

The principal components of the Company's deferred tax balances are as follows (in thousands):

	March 31,	
	2010	2009
Deferred Tax Assets		
Allowance for doubtful accounts and sales returns	$ 2,670	$ 1,152
Inventory capitalization	644	574
Inventory reserves	806	553
Net operating loss carryforwards	663	747
Property and equipment	20	8
State income taxes	4,964	4,125
Accrued liabilities	502	315
Interest rate derivative instruments	--	818
Other	1,938	1,511
Deferred Tax Liabilities		
Intangible assets	(117,999)	(103,764)
	$ (105,792)	$ (93,961)

At March 31, 2010, Medtech Products Inc., a wholly-owned subsidiary of the Company, had a net operating loss carryforward of approximately $1.9 million which may be used to offset future taxable income of the consolidated group and begins to expire in 2020. The net operating loss carryforward is subject to an annual limitation as to usage under Internal Revenue Code Section 382 of approximately $240,000.

A reconciliation of the effective tax rate compared to the statutory U.S. Federal tax rate is as follows:

(In thousands)	Year Ended March 31, 2010	%	2009	%	2008	%
Income tax provision at statutory rate	$ 19,069	35.0	$ (68,586)	(35.0)	$ 18,973	35.0
Foreign tax provision	(36)	(0.1)	83	--	16	--
State income taxes, net of federal income tax benefit	1,662	3.1	(5,467)	(2.8)	1,284	2.4
Increase (decrease) in net deferred tax liability resulting from an increase (decrease) in the effective state tax rate	597	1.1	--	--	--	--
Goodwill	1,039	1.9	64,770	33.1	--	--
Other	39	0.1	14	--	16	--
Provision for income taxes	$ 22,370	41.1	$ (9,186)	(4.7)	$ 20,289	37.4

Uncertain tax liability activity is as follows:

(In thousands)	2010	2009
Balance – beginning of year	$ 225	$ --
Additions based on tax positions related to the current year	90	225
Balance – end of year	$ 315	$ 225

The Company recognizes interest and penalties related to uncertain tax positions as a component of income tax expense. For 2010, 2009, and 2008, the Company did not incur any interest or penalties related to income taxes. The Company does not anticipate any significant events or circumstances that would cause a change to these uncertainties during the ensuing year. The Company is subject to taxation in the United States and various state and foreign jurisdictions and is generally open to examination from the year ended March 31, 2007 forward.

16. Commitments and Contingencies

DenTek Oral Care, Inc. Litigation

In April 2007, the Company filed a lawsuit in the U.S. District Court in the Southern District of New York against DenTek Oral Care, Inc. ("DenTek") alleging (i) infringement of intellectual property associated with *The Doctor's NightGuard* dental protector which is used for the protection of teeth from nighttime teeth grinding; and (ii) the violation of unfair competition and consumer protection laws. On October 4, 2007, the Company filed a Second Amended Complaint in which it named Kelly M. Kaplan ("Kaplan"), Raymond Duane ("Duane") and C.D.S. Associates, Inc. ("CDS") as additional defendants in this action and added other claims to the previously filed complaint. Kaplan and Duane were formerly employed by the Company and CDS is a corporation controlled by Duane. In the Second Amended Complaint, the Company has asserted claims for patent, trademark and copyright infringement, unfair competition, unjust enrichment, violation of New York's Consumer Protection Act, breach of contract, tortious interference with contractual and business relations, civil conspiracy and trade secret misappropriation.

In October 2008, DenTek, Kaplan, Duane and CDS filed Answers to the Second Amended Complaint. In their Answers, each of DenTek, Duane and CDS has asserted counterclaims against the Company. DenTek's counterclaims allege false advertising, violation of New York consumer protection statutes and unfair competition relating to *The Doctor's NightGuard Classic* dental protector. Duane's counterclaim is a contractual indemnity claim seeking to recover attorneys' fees pursuant to the release between Duane and Dental Concepts LLC ("Dental Concepts"), a predecessor-in-interest to Medtech Products Inc. ("Medtech"), plaintiff in the DenTek litigation and a wholly-owned subsidiary of Prestige Brands Holdings, Inc. CDS's counterclaim alleges a breach of the consulting agreement between CDS and Dental Concepts.

On March 24, 2009, Duane submitted a petition for a Chapter 7 bankruptcy with the United States Bankruptcy Court for the District of Nevada. The New York Court retains jurisdiction over Duane for injunctive relief arising out of the New York action while the Nevada Court retains exclusive jurisdiction over the dischargeability of Medtech's damage claims against Duane and other issues affecting the bankruptcy.

On March 25, 2010, Medtech settled all of the claims and counterclaims involving DenTek in the law suit on terms mutually agreeable to Medtech and DenTek. No payment by Medtech or the Company is required as part of the settlement.

The Company's management believes that the counterclaims asserted by Duane and CDS are legally deficient and that it has meritorious defenses to the counterclaims. The Company intends to vigorously defend against the counterclaims, which, if adversely determined against the Company, would not, in the opinion of management, have a material adverse effect on the Company.

San Francisco Technology Inc. Litigation

On April 5, 2010, Medtech was served with a Complaint filed by San Francisco Technology Inc. ("SFT") in the U.S. District Court for the Northern District of California, San Jose Division. In the Complaint, SFT asserted a qui tam action against Medtech alleging false patent markings with the intent to deceive the public regarding Medtech's two *Dermoplast*® products. Medtech has filed a Motion to Dismiss or Stay and a Motion to Sever and Transfer Venue to the Southern District of New York and is awaiting decisions on the pending Motions. Medtech intends to vigorously defend against the Complaint.

In addition to the matters described above, the Company is involved from time to time in other routine legal matters and other claims incidental to its business. The Company reviews outstanding claims and proceedings internally and with external counsel as necessary to assess probability and amount of potential loss. These assessments are re-evaluated at each reporting period and as new information becomes available to determine whether a reserve should be established or if any existing reserve should be adjusted. The actual cost of resolving a claim or proceeding ultimately may be substantially different than the amount of the recorded reserve. In addition, because it is not permissible under GAAP to establish a litigation reserve until the loss is both probable and estimable, in some cases there may be insufficient time to establish a reserve prior to the actual incurrence of the loss (upon verdict and judgment at trial, for example, or in the case of a quickly negotiated settlement). The Company believes the resolution of routine matters and other incidental claims, taking into account reserves and insurance, will not have a material adverse effect on its business, financial condition or results from operations.

Lease Commitments

The Company has operating leases for office facilities and equipment in New York and Wyoming, which expire at various dates through 2014.

The following summarizes future minimum lease payments for the Company's operating leases (in thousands):

Year Ending March 31,	Facilities	Equipment	Total
2011	$ 559	$ 74	$ 633
2012	577	40	617
2013	596	17	613
2014	50	--	50
	$ 1,782	$ 131	$ 1,913

Rent expense for 2010, 2009 and 2008 was $753,000, $612,000 and $597,000, respectively.

Purchase Commitments

The Company has entered into a 10 year supply agreement for the exclusive manufacture of a portion of one of its household cleaning products. Although the Company is committed under the supply agreement to pay the minimum amounts set forth in the table below, the total commitment is less than 10 percent of the estimated purchases that are expected to be made during the course of the supply agreement.

(In thousands)	
Year Ending March 31,	
2011	$ 10,703
2012	6,724
2013	1,166
2014	1,136
2015	1,105
Thereafter	4,673
	$ 25,507

17. Concentrations of Risk

The Company's sales are concentrated in the areas of over-the-counter healthcare, household cleaning and personal care products. The Company sells its products to mass merchandisers, food and drug accounts, and dollar and club stores. During 2010, 2009 and 2008, approximately 62.3%, 60.8% and 60.3%, respectively, of the Company's total sales were derived from its four major brands. During 2010, 2009 and 2008, approximately 24.6%, 25.9% and 23.1%, respectively, of the Company's sales were made to one customer. At March 31, 2010, approximately 22.3% of accounts receivable were owed by the same customer.

The Company manages product distribution in the continental United States through a main distribution center in St. Louis, Missouri. A serious disruption, such as a flood or fire, to the main distribution center could damage the Company's inventories and could materially impair the Company's ability to distribute its products to customers in a timely manner or at a reasonable cost. The Company could incur significantly higher costs and experience longer lead times associated with the distribution of its products to its customers during the time that it takes the Company to reopen or replace its distribution center. As a result, any such disruption could have a material adverse affect on the Company's sales and profitability.

At March 31, 2010, we had relationships with over 40 third-party manufacturers. Of those, we had long-term contracts with 20 manufacturers that produced items that accounted for approximately 68.7% of our gross sales for 2010 compared to 18 manufacturers with long-term contracts that produced approximately 64.0% of gross sales in 2009. The fact that we do not have long-term contracts with certain manufacturers means that they could cease manufacturing these products at any time and for any reason, or initiate arbitrary and costly price increases which could have a material adverse effect on our business, financial condition and results from operations.

18. Business Segments

Segment information has been prepared in accordance with Segment Topic of the FASB ASC. The Company's operating and reportable segments consist of (i) Over-the-Counter Healthcare, (ii) Household Cleaning and (iii) Personal Care.

There were no inter-segment sales or transfers during any of the periods presented. The Company evaluates the performance of its operating segments and allocates resources to them based primarily on contribution margin.

The table below summarizes information about the Company's operating and reportable segments.

	Year Ended March 31, 2010			
(In thousands)	**Over-the-Counter Healthcare**	**Household Cleaning**	**Personal Care**	**Consolidated**
Net sales	$ 177,313	$ 108,797	$ 10,812	$ 296,922
Other revenues	3,150	1,899	52	5,101
Total revenues	180,463	110,696	10,864	302,023
Cost of sales	66,049	72,118	6,420	144,587
Gross profit	114,414	38,578	4,444	157,436
Advertising and promotion	24,220	6,659	357	31,236
Contribution margin	$ 90,194	$ 31,919	$ 4,087	126,200
Other operating expenses				44,747
Impairment of goodwill				2,751
Operating income				78,702
Other expenses				25,591
Provision for income taxes				21,849
Income from continuing operations				31,262
Income from discontinued operations, net of income tax				696
Gain on sale of discontinued operations, net of income tax				157
Net income				$ 32,115

	Year Ended March 31, 2009			
(In thousands)	**Over-the-Counter Healthcare**	**Household Cleaning**	**Personal Care**	**Consolidated**
Net sales	$ 176,878	$ 113,923	$ 10,136	$ 300,937
Other revenues	97	2,092	21	2,210
Total revenues	176,975	116,015	10,157	303,147
Cost of sales	63,459	74,457	6,280	144,196
Gross profit	113,516	41,558	3,877	158,951
Advertising and promotion	29,695	7,625	457	37,777
Contribution margin	$ 83,821	$ 33,933	$ 3,420	121,174
Other operating expenses				41,311
Impairment of goodwill and intangibles				249,285
Operating loss				(169,422)
Other expenses				28,436
Income tax benefit				(9,905)
Loss from continuing operations				(187,953)
Income from discontinued operations, net of tax				1,177
Net loss				$ (186,776)

(In thousands)	Year Ended March 31, 2008			
	Over-the-Counter Healthcare	Household Cleaning	Personal Care	Consolidated
Net sales	$ 183,641	$ 119,224	$ 10,260	$ 313,125
Other revenues	51	1,903	28	1,982
Total revenues	183,692	121,127	10,288	315,107
Cost of sales	69,344	75,459	7,008	151,811
Gross profit	114,348	45,668	3,280	163,296
Advertising and promotion	26,188	7,483	572	34,243
Contribution margin	$ 88,160	$ 38,185	$ 2,708	129,053
Other operating expenses				40,633
Operating income				88,420
Other expenses				37,206
Provision for income taxes				19,168
Income from continuing operations				32,046
Income from discontinued operations, net of income tax				1,873
Net income				$ 33,919

During 2010, 2009 and 2008, approximately 95.8%, 96.4% and 95.9% of the Company's sales were made to customers in the United States and Canada, respectively. Other than the United States, no individual geographical area accounted for more than 10% of net sales in any of the periods presented. At March 31, 2010, substantially all of the Company's long-term assets were located in the United States of America and have been allocated to the operating segments as follows:

(In thousands)	Over-the-Counter Healthcare	Household Cleaning	Personal Care	Consolidated
Goodwill	$ 104,100	$ 7,389	$ --	$ 111,489
Intangible assets				
Indefinite lived	334,750	119,821	--	454,571
Finite lived	65,961	33,143	5,554	104,658
	400,711	152,964	5,554	559,229
	$ 504,811	$ 160,353	$ 5,554	$ 670,718

19. Unaudited Quarterly Financial Information

Unaudited quarterly financial information for 2010 and 2009 is as follows:

Year Ended March 31, 2010

(In thousands, except for per share data)	Quarterly Period Ended June 30, 2009	September 30, 2009	December 31, 2009	March 31, 2010
Total revenues	$ 71,012	$ 84,181	$ 75,448	$ 71,382
Cost of sales	33,181	39,847	35,641	35,918
Gross profit	37,831	44,334	39,807	35,464
Operating expenses				
Advertising and promotion	8,765	9,782	6,099	6,590
General and administrative	8,195	10,481	7,411	8,108
Depreciation and amortization	2,345	2,841	2,596	2,770
Impairment of goodwill	--	--	--	2,751
	19,305	23,104	16,106	20,219
Operating income	18,526	21,230	23,701	15,245
Net interest expense	5,653	5,642	5,558	6,082
Loss on extinguishment of debt	--	--	--	2,656
Income from continuing operations before income taxes	12,873	15,588	18,143	6,507
Provision for income taxes	4,879	5,908	7,807	3,255
Income from continuing operations	7,994	9,680	10,336	3,252
Discontinued Operations				
Income from discontinued operations, net of income tax	331	243	87	35
Gain on sale of discontinued operations, net of income tax	--	--	157	--
Net income	$ 8,325	$ 9,923	$ 10,580	$ 3,287
Basic earnings per share:				
Income from continuing operations	$ 0.16	$ 0.19	$ 0.21	$ 0.07
Net income	$ 0.17	$ 0.20	$ 0.21	$ 0.07
Diluted earnings per share:				
Income from continuing operations	$ 0.16	$ 0.19	$ 0.21	$ 0.06
Net income	$ 0.17	$ 0.20	$ 0.21	$ 0.07
Weighted average shares outstanding:				
Basic	49,982	50,012	50,030	50,030
Diluted	50,095	50,055	50,074	50,105

Year Ended March 31, 2009

(In thousands, except for per share data)	Quarterly Period Ended June 30, 2008	September 30, 2008	December 31, 2008	March 31, 2009
Total revenues	$ 70,997	$ 85,540	$ 77,966	$ 68,644
Cost of sales	32,907	40,402	36,480	34,407
Gross profit	38,090	45,138	41,486	34,237
Operating expenses				
Advertising and promotion	7,236	13,543	11,349	5,649
General and administrative	7,973	9,363	8,311	6,241
Depreciation and amortization	2,308	2,308	2,311	2,496
Impairment of goodwill and intangible assets	--	--	--	249,285
	17,517	25,214	21,971	263,671
Operating income (loss)	20,573	19,924	19,515	(229,434)
Net interest expense	8,683	6,779	7,051	5,923
Income (loss) from continuing operations before income taxes	11,890	13,145	12,464	(235,357)
Provision (benefit) for income taxes	4,506	4,982	4,724	(24,117)
Income (loss) from continuing operations	7,384	8,163	7,740	(211,240)
Discontinued Operations				
Income from discontinued operations, net of income tax	397	359	278	143
Net income (loss)	7,781	8,522	8,018	(211,097)
Basic earnings (loss) per share:				
Income (loss) from continuing operations	$ 0.15	$ 0.16	$ 0.15	$ (4.23)
Net income (loss)	$ 0.16	$ 0.17	$ 0.16	$ (4.22)
Diluted earnings (loss) per share:				
Income (loss) from continuing operations	$ 0.15	$ 0.16	$ 0.15	$ (4.23)
Net income (loss)	$ 0.16	$ 0.17	$ 0.16	$ (4.22)
Weighted average shares outstanding:				
Basic	49,880	49,924	49,960	49,976
Diluted	50,035	50,037	50,040	49,976

SCHEDULE II

VALUATION AND QUALIFYING ACCOUNTS

(In thousands)	Balance at Beginning of Year	Amounts Charged to Expense		Deductions	Other	Balance at End of Year
Year Ended March 31, 2010						
Reserves for sales returns and allowance	$ 2,457	$ 20,042		$ (16,278)	$ --	$ 6,221
Reserves for trade promotions	2,440	20,362		(20,751)	--	2,051
Reserves for consumer coupon redemptions	297	1,281		(1,315)	--	263
Allowance for doubtful accounts	120	200		(47)	--	273
Allowance for inventory obsolescence	1,392	1,743		(1,125)	--	2,010
Year Ended March 31, 2009						
Reserves for sales returns and allowance	$ 2,052	$ 14,086		$ (13,681)	$ --	$ 2,457
Reserves for trade promotions	1,867	18,277		(17,704)	--	2,440
Reserves for consumer coupon redemptions	215	1,480		(1,398)	--	297
Allowance for doubtful accounts	25	130		(35)	--	120
Allowance for inventory obsolescence	1,445	2,215		(2,268)	--	1,392
Year Ended March 31, 2008						
Reserves for sales returns and allowance	$ 1,753	$ 18,785	(1)	$ (18,486)	$ --	$ 2,052
Reserves for trade promotions	2,161	3,074		(3,368)	--	1,867
Reserves for consumer coupon redemptions	401	1,926		(2,112)	--	215
Allowance for doubtful accounts	35	124		(134)	--	25
Allowance for inventory obsolescence	1,854	1,404		(1,813)	--	1,445

(1) The Company increased its allowance for sales returns by $2.2 million as a result of the voluntary withdrawal from the marketplace of two medicated pediatric cough and cold products marketed under the *Little Remedies* brand. This action was part of an industry-wide voluntary withdrawal of these items pending the final results of an FDA safety and efficacy review.

EXHIBIT INDEX

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of Prestige Brands Holdings, Inc. (filed as Exhibit 3.1 to Prestige Brands Holdings, Inc.'s Form S-1/A filed on February 8, 2005).+
3.2	Amended and Restated Bylaws of Prestige Brands Holdings, Inc., as amended (filed as Exhibit 3.2 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on November 6, 2009).+
4.1	Form of stock certificate for common stock (filed as Exhibit 4.1 to Prestige Brands Holdings, Inc.'s Form S-1/A filed on January 26, 2005).+
4.2	Indenture, dated as of March 24, 2010, by and among Prestige Brands, Inc., each Guarantor listed on the signature pages thereto, and U.S. Bank National Association, as trustee.*
4.3	Form of 8¼% Senior Note due 2018 (contained in Exhibit 4.2 to this Annual Report on Form 10-K).*
4.4	Indenture, dated April 6, 2004, among Prestige Brands, Inc., each Guarantor thereto and U.S. Bank National Association, as Trustee (filed as Exhibit 4.1 to Prestige Brands, Inc.'s Form S-4 filed on July 6, 2004).+
4.5	Form of 9¼% Senior Subordinated Note due 2012 (contained in Exhibit 4.4 to this Annual Report on Form 10-K).+
4.6	Supplemental Indenture, dated as of October 6, 2004, among Vetco, Inc., Prestige Brands, Inc. and U.S. Bank, National Association (filed as Exhibit 4.1 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on February 9, 2007).+
4.7	Second Supplemental Indenture, dated as of December 19, 2006, by and among Prestige Brands, Inc., U.S. Bank, National Association, Prestige Brands Holdings, Inc., Dental Concepts LLC and Prestige International Holdings, LLC (filed as Exhibit 4.2 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on February 9, 2007).+
4.8	Third Supplemental Indenture, dated as of February 22, 2008, by and among Prestige Brands, Inc., U.S. Bank, National Association and Prestige Services Corp.*
4.9	Fourth Supplemental Indenture, dated as of March 24, 2010, by and among Prestige Brands, Inc., the Guarantors party thereto and U.S. Bank, National Association.*
10.1	Credit Agreement, dated as of March 24, 2010, among Prestige Brands, Inc., Prestige Brands Holdings, Inc., the Lenders and Issuers parties thereto, Bank of America, N.A., as administrative agent for the Lenders and the Issuers and collateral agent for the Secured Parties, and Deutsche Bank Securities Inc., as syndication agent.*
10.2	Pledge and Security Agreement, dated as of March 24, 2010, by Prestige Brands, Inc. and each of the other entities listed on the signature pages thereof in favor of Bank of America, N.A., as administrative agent for the Lenders and the Issuers and collateral agent for the Secured Parties.*
10.3	Guaranty, dated as of March 24, 2010, by Prestige Brands Holdings, Inc., and each of the other entities listed on the signature pages thereof in favor of the Administrative Agent, and each other Agent, Lender, Issuer and each other holder of an Obligation.*
10.4	Purchase Agreement, dated as of March 10, 2010, by and among Prestige Brands, Inc., each Guarantor listed on the signature pages thereto, Banc of America Securities LLC and Deutsche Bank Securities Inc.*
10.5	Registration Rights Agreement, dated as of March 24, 2010, by and among Prestige Brands, Inc., each of the other entities listed on the signature pages thereof, Banc of America Securities LLC and Deutsche Bank Securities Inc.*
10.6	Executive Employment Agreement, dated as of September 2, 2009, by and between Prestige Brands Holdings, Inc. and Matthew M. Mannelly (filed as Exhibit 10.1 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on November 6, 2009).+@

10.7	Amended and Restated Employment Agreement, dated as of January 1, 2009, by and between Prestige Brands Holdings, Inc. and Mark Pettie (amended and restated solely for IRC 409A compliance purposes which amendments were not material to the prior employment agreement) (filed as Exhibit 10.13 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 15, 2009).+@
10.8	Form of Amended and Restated Senior Management Agreement, dated as of January 28, 2005, by and among Prestige International Holdings, LLC, Prestige Brands Holdings, Inc., Prestige Brands, Inc., and Peter J. Anderson (filed as Exhibit 10.29.7 to Prestige Brands Holdings, Inc.'s Form S-1/A filed on January 26, 2005).+@
10.9	Executive Employment Agreement, dated as of January 17, 2006, between Prestige Brands Holdings, Inc. and Charles N. Jolly (filed as Exhibit 10.35 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 14, 2006).+@
10.10	Letter Agreement between Prestige Brands Holdings, Inc. and James E. Kelly (filed as Exhibit 10.17 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 14, 2007).+@
10.11	Executive Employment Agreement, dated as of August 21, 2006, between Prestige Brands Holdings, Inc. and Jean A. Boyko (filed as Exhibit 10.1 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on November 9, 2006).+@
10.12	Executive Employment Agreement, dated as of October 1, 2007, between Prestige Brands Holdings, Inc. and John Parkinson (filed as Exhibit 10.3 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on February 8, 2008).+@
10.13	Executive Employment Agreement, dated as of October 1, 2007, between Prestige Brands Holdings, Inc. and David Talbert.*@
10.14	Executive Employment Agreement, dated as of October 1, 2007, between Prestige Brands Holdings, Inc. and Lieven Nuyttens.*@
10.15	Executive Employment Agreement, dated as of March 31, 2010, between Prestige Brands Holdings, Inc. and Eric S. Klee.*@
10.16	Executive Employment Agreement, dated as of April 19, 2010, between Prestige Brands Holdings, Inc. and Timothy Connors.*@
10.17	Prestige Brands Holdings, Inc. 2005 Long-Term Equity Incentive Plan (filed as Exhibit 10.38 to Prestige Brands Holdings, Inc.'s Form S-1/A filed on January 26, 2005).+#
10.18	Form of Restricted Stock Grant Agreement (filed as Exhibit 10.1 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on August 9, 2005).+#
10.19	Form of Nonqualified Stock Option Agreement (filed as Exhibit 10.28 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 14, 2007).+#
10.20	Form of Award Agreement for Restricted Stock Units (filed as Exhibit 10.24 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 15, 2009).+#
10.21	Form of Director Indemnification Agreement (filed as Exhibit 10.25 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 15, 2009).+@
10.22	Form of Officer Indemnification Agreement (filed as Exhibit 10.26 to Prestige Brands Holdings, Inc.'s Form 10-K filed on June 15, 2009).+@
10.23	Contract Manufacturing Agreement, dated February 1, 2001, among The Procter & Gamble Manufacturing Company, P&G International Operations SA, Prestige Brands International, Inc. and Prestige Brands International (Canada) Corp. (filed as Exhibit 10.31 to Prestige Brands, Inc.'s Form S-4/A filed on August 4, 2004).+ †
10.24	Patent and Technology License Agreement, dated October 2, 2001, between The Procter & Gamble Company and Prestige Brands International, Inc. (filed as Exhibit 10.29 to Prestige Brands, Inc.'s Form S-4/A filed on August 19, 2004).+ †
10.25	Amendment No. 4 and Restatement of Contract Manufacturing Agreement, dated May 1, 2002, by and between The Procter & Gamble Company and Prestige Brands International, Inc. (filed as Exhibit 10.33 to Prestige Brands, Inc.'s Form S-4/A filed on August 4, 2004).+ †

10.26	Amendment No. 1 dated April 30, 2003 to the Patent and Technology License Agreement, dated October 2, 2001, between The Procter & Gamble Company and Prestige Brands International, Inc. (filed as Exhibit 10.30 to Prestige Brands, Inc.'s Form S-4/A filed on August 19, 2004).+
10.27	Trademark License and Option to Purchase Agreement, dated September 8, 2005, by and among The Procter & Gamble Company and Prestige Brands Holdings, Inc. (filed as Exhibit 10.1 to Prestige Brands Holdings, Inc.'s Form 8-K filed on September 12, 2005).+
10.28	Exclusive Supply Agreement, dated as of September 18, 2006, among Medtech Products Inc., Pharmacare Limited, Prestige Brands Holdings, Inc. and Aspen Pharmacare Holdings Limited (filed as Exhibit 10.2 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on November 9, 2006).+
10.29	Contract Manufacturing Agreement, dated December 21, 2007, between Medtech Products Inc. and Pharmaspray B.V. (filed as Exhibit 10.1 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on February 8, 2008).+
10.30	Contract Manufacturing Agreement, dated December 21, 2007, between Medtech Products Inc. and Pharmaspray B.V. (filed as Exhibit 10.2 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on February 8, 2008).+
10.31	Supply Agreement, dated May 15, 2008, by and between Fitzpatrick Bros., Inc. and The Spic and Span Company (filed as Exhibit 10.1 to Prestige Brands Holdings, Inc.'s Form 10-Q filed on August 11, 2008).+†
21.1	Subsidiaries of the Registrant.*
23.1	Consent of PricewaterhouseCoopers LLP.*
31.1	Certification of Principal Executive Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of Principal Financial Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of Principal Executive Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Principal Financial Officer of Prestige Brands Holdings, Inc. pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934 and Section 1350 of Chapter 63 of Title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

*	Filed herewith.
†	Certain confidential portions have been omitted pursuant to a confidential treatment request separately filed with the Securities and Exchange Commission.
+	Incorporated herein by reference.
@	Represents a management contract.
#	Represents a compensatory plan.

Exhibit 4.2

EXECUTION VERSION

PRESTIGE BRANDS, INC.

8.25% SENIOR NOTES DUE 2018

INDENTURE

Dated as of March 24, 2010

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

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MISCELLANEOUS

CROSS-REFERENCE TABLE

TIA Section Reference	*Indenture Section*
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(a)(5)	7.10
(b)	7.08, 7.10
(c)	N.A.
311(a)	7.11
(b)	7.11
(c)	N.A.
312(a)	2.05
313(a)	7.06
(b)(1)	N.A.
(b)(2)	7.06, 7.07
(c)	7.06
(d)	7.06
314(a)	4.03, 4.04
(b)	N.A.
(c)(3)	N.A.
(d)	N.A.
315(a)	7.01
(b)	7.05
(c)	7.01
(d)	7.01
(e)	6.11
316(a) (last sentence)	2.09
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04

N.A. means Not Applicable.

Note: This Cross-Reference Table shall not, for any purpose, be deemed to be part of this Indenture.

This INDENTURE, dated as of March 24, 2010, is by and among Prestige Brands, Inc., a Delaware corporation, each Guarantor listed on the signature pages hereto, and U.S. Bank National Association, as trustee (the "***Trustee***").

The Company, each Guarantor and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the 8.25% Senior Notes due 2018 (the "***Notes***") issued under this Indenture:

ARTICLE 1.

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. **Definitions**.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

"*144A Global Note*" means a Global Note in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee issued in a denomination equal to the outstanding principal amount of the Notes sold for initial resale in reliance on Rule 144A.

"*Acquired Debt*" means Debt of a Person outstanding on the date on which such Person becomes a Restricted Subsidiary (including by way or merger, consolidation or amalgamation) or assumed in connection with the acquisition of assets from such Person.

"*Additional Assets*" means:

(a) any Property (other than cash, Cash Equivalents and securities) to be owned by the Parent or any of its Restricted Subsidiaries and used in a Permitted Business; or

(b) Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Parent or a Restricted Subsidiary from any Person other than the Parent or a Subsidiary of the Parent; *provided*, *however*, that such Restricted Subsidiary is primarily engaged in a Permitted Business.

"*Additional Notes*" means any Notes (other than Initial Notes, Exchange Notes and Notes issued under Sections 2.06, 2.07, 2.10 and 3.06 hereof) issued under this Indenture in accordance with Sections 2.02, 2.15 and 4.09 hereof, as part of the same series as the Initial Notes or as an additional series.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control," when used with respect to any Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"*Agent*" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"*Applicable Procedures*" means, with respect to any transfer, redemption or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer, redemption or exchange.

"*Asset Sale*" means any sale, lease, transfer, issuance or other disposition (or series of related sales, leases, transfers, issuances or dispositions) by the Parent or any of its Restricted Subsidiaries, including any disposition by means of a merger, consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition"), of

(a) any shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares), or

(b) any other Property of the Parent or any Restricted Subsidiary outside of the ordinary course of business of the Parent or such Restricted Subsidiary,

other than, in the case of clause (a) or (b) above,

(1) any disposition by a Restricted Subsidiary to the Parent or by the Parent or a Restricted Subsidiary to a Wholly Owned Restricted Subsidiary;

(2) any disposition that constitutes a Permitted Investment or Restricted Payment permitted by Section 4.10;

(3) any disposition effected in compliance with Section 5.01(a);

(4) any disposition in a single transaction or a series of related transactions of Property for aggregate consideration of less than $2.5 million;

(5) the disposition of cash or Cash Equivalents;

(6) the disposition of accounts receivable and related assets (including contract rights) to a Securitization Subsidiary in connection with a Permitted Receivables Financing;

(7) any foreclosure upon any assets of the Parent or any of its Restricted Subsidiaries in connection with the exercise of remedies by a secured lender pursuant to the terms of Debt otherwise permitted to be incurred under this Indenture;

(8) the surrender or waiver of contractual rights or the settlement, release or surrender of contract, tort or other claims of any kind; and

(9) the sale of the Capital Stock, Debt or other securities of an Unrestricted Subsidiary.

"*Attributable Debt*" in respect of a Sale and Leaseback Transaction means, at any date of determination,

(a) if such Sale and Leaseback Transaction is a Capital Lease Obligation, the amount of Debt represented thereby according to the definition of "Capital Lease Obligations," and

(b) in all other instances, the greater of:

(1) the Fair Market Value of the Property subject to such Sale and Leaseback Transaction, and

(2) the present value (discounted at the interest rate borne by the Notes, compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended).

"*Average Life*" means, as of any date of determination, with respect to any Debt or Preferred Stock, the quotient obtained by dividing:

(a) the sum of the product of the numbers of years (rounded to the nearest one-twelfth of one year) from the date of determination to the dates of each successive scheduled principal payment of such Debt or redemption or similar payment with respect to such Preferred Stock multiplied by the amount of such payment by

(b) the sum of all such payments.

"*Bankruptcy Law*" means Title 11, U.S. Code or any similar federal or state law for the relief of debtors, or the law of any other jurisdiction relating to bankruptcy, insolvency, winding up, liquidation, reorganization or relief of debtors.

"*Board of Directors*" means the Board of Directors of the Parent or a Restricted Subsidiary, as the case may be.

"*Board Resolution*" of a Person means a copy of a resolution certified by the secretary or an assistant secretary (or individual performing comparable duties) of the applicable Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"*Business Day*" means any day other than a Legal Holiday.

"*Capital Contributions*" means either (i) the aggregate cash proceeds received by the Parent from the issuance or sale (other than to a Subsidiary of the Parent or an employee stock ownership plan or trust established by the Parent or any such Subsidiary for the benefit of their employees) by the Parent of its Capital Stock (other than Disqualified Stock and Preferred Stock) since January 1, 2010, net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable by the Parent as a result thereof or from any capital contribution received by the Parent from any holder of its Capital Stock, or (ii) the Fair Market Value of any assets or Property contributed to the Parent or acquired through the issuance of Capital Stock (other than Disqualified Stock) of the Parent since January 1, 2010; *provided* that such assets or Property are used or useful in a Permitted Business.

"*Capital Lease Obligations*" means any obligation under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP; and the amount of Debt represented by such obligation shall be the capitalized amount of such obligations determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty. For purposes of Section 4.11, a Capital Lease Obligation shall be deemed secured by a Lien on the Property being leased.

"*Capital Stock*" means, with respect to any Person, any shares or other equivalents (however designated) of any class of corporate stock or partnership interests or any other participations, rights, warrants, options or other interests in the nature of an equity interest in such Person, including Preferred Stock, but excluding any debt security convertible or exchangeable into such equity interest.

"*Cash Equivalents*" means any of the following:

(a) Investments in U.S. Government Obligations maturing within 365 days of the date of acquisition thereof;

(b) Investments in time deposit accounts, certificates of deposit and money market deposits maturing within 365 days of the date of acquisition thereof issued by a bank or trust company organized under the laws of the United States of America or any state thereof having capital, surplus and undivided profits aggregating in excess of $500 million and whose long-term debt is rated "A-3" or "A-" or higher according to Moody's or S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act));

(c) repurchase obligations with a term of not more than 180 days for underlying securities of the types described in clause (a) entered into with:

(1) a bank meeting the qualifications described in clause (b) above, or

(2) any primary government securities dealer reporting to the Market Reports Division of the Federal Reserve Bank of New York;

(d) Investments in commercial paper, maturing not more than 365 days after the date of acquisition, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America with a rating at the time as of which any Investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act));

(e) direct obligations (or certificates representing an ownership interest in such obligations) of any state of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of such state is pledged; *provided* that:

(1) the long-term debt of such state is rated "A-3" or "A-" or higher according to Moody's or S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)), and

(2) such obligations mature within 365 days of the date of acquisition thereof;

(f) interests in investment companies or money market funds at least 95% of the assets of which on the date of acquisition constitute Cash Equivalents of the kinds described in clauses (a) through (e) of this definition; and

(g) in the case of any Foreign Restricted Subsidiary:

(1) direct obligations of the sovereign nation (or agency thereof) in which such Foreign Restricted Subsidiary is organized and is conducting business or obligations fully and unconditionally guaranteed by such sovereign nation (or any agency thereof);

(2) investments of the type and maturity described in clauses (a) through (f) above of foreign obligors, which investments or obligors have ratings described in such clauses or equivalent ratings from comparable foreign ratings agencies; and

(3) investments of the type and maturity described in clauses (a) through (f) above of foreign obligors, which investments or obligors are not rated as provided in such clauses or in (2) above but which are, in the reasonable judgment of the Parent as evidenced by a Board Resolution, comparable in investment quality to such investments and obligors; *provided* that the amount of such investments pursuant to this clause (g)(3) outstanding at any one time shall not exceed $15.0 million.

"*Change of Control*" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act or any successor provisions to either of the foregoing), including any group acting for the purpose of acquiring, holding, voting or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act, becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act, except that a person will be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 35% or more of the total voting power of the Voting Stock of the Parent or the Company (for purposes of this clause (a), such person or group shall be deemed to beneficially own any Voting Stock of a corporation held by any other corporation (the "parent corporation") so long as such person or group beneficially owns, directly or indirectly, in the aggregate at least 35% of the total voting power of the Voting Stock of such parent corporation); or

(b) the sale, transfer, lease, conveyance or other disposition, directly or indirectly, of all or substantially all the Property of the Parent and its Restricted Subsidiaries, considered as a whole (other than a disposition of such Property as an entirety or virtually as an entirety to a Wholly Owned Restricted Subsidiary), shall have occurred, or the Parent or the Company merges, consolidates or amalgamates with or into any other Person or any other Person merges, consolidates or amalgamates with or into the Parent or the Company, in any such event pursuant to a transaction in which the outstanding Voting Stock of such entity is reclassified into or exchanged for cash, securities or other Property, other than any such transaction where:

(1) the outstanding Voting Stock of such entity is reclassified into or exchanged for other Voting Stock of such entity or for Voting Stock of the Surviving Person, and

(2) the holders of the Voting Stock of such entity immediately prior to such transaction own, directly or indirectly, not less than a majority of the Voting Stock of such entity or the Surviving Person immediately after such transaction and in substantially the same proportion as before the transaction; or

(c) the stockholders of the Parent or the Company shall have approved any plan of liquidation or dissolution of the Parent or the Company.

"*Clearstream*" means Clearstream Banking S.A. and any successor thereto.

"*Code*" means the U.S. Internal Revenue Code of 1986, as amended.

"*Commission*" means the U.S. Securities and Exchange Commission.

"*Commodity Price Protection Agreement*" means, in respect of a Person, any forward contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed for the purpose of fixing, hedging or swapping the price risk related to fluctuations in commodity prices.

"*Company*" means Prestige Brands, Inc., and any successor thereto.

"*Comparable Treasury Issue*" means the United States treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

"*Comparable Treasury Price*" means, with respect to any redemption date:

(a) the average of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) on the third Business Day preceding such redemption date, as set forth in the most recently published statistical release designated "H.15(519)" (or any successor release) published by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States treasury securities adjusted to constant maturity under "Treasury Constant Maturities," or

(b) if such release (or any successor release) is not published or does not contain such prices on such Business Day, the average of the Reference Treasury Dealer Quotations for such redemption date.

"*Consolidated Interest Coverage Ratio*" means, as of any date of determination, the ratio of:

(a) the aggregate amount of EBITDA for the most recent four consecutive fiscal quarters for which consolidated financial statements are available prior to such determination date to

(b) Consolidated Interest Expense for such four fiscal quarters;

provided, however, that:

(1) if

(A) since the beginning of such period the Parent or any Restricted Subsidiary has Incurred any Debt that remains outstanding or Repaid any Debt, or

(B) the transaction giving rise to the need to calculate the Consolidated Interest Coverage Ratio is an Incurrence or Repayment of Debt,

Consolidated Interest Expense for such period shall be calculated after giving effect on a *pro forma* basis to such Incurrence or Repayment as if such Debt was Incurred or Repaid on the first

day of such period, *provided* that, in the event of any such Repayment of Debt, EBITDA for such period shall be calculated as if the Parent or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of the funds used to Repay such Debt, and

(2) if

(A) since the beginning of such period the Parent or any Restricted Subsidiary shall have made any Asset Sale or an Investment (by merger or otherwise) in any Restricted Subsidiary (or any Person which becomes a Restricted Subsidiary) or an acquisition of Property which constitutes all or substantially all of an operating unit of a business,

(B) the transaction giving rise to the need to calculate the Consolidated Interest Coverage Ratio is such an Asset Sale, Investment or acquisition, or

(C) since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Parent or any Restricted Subsidiary since the beginning of such period) shall have made such an Asset Sale, Investment or acquisition,

then EBITDA for such period shall be calculated after giving *pro forma* effect to such Asset Sale, Investment or acquisition as if such Asset Sale, Investment or acquisition had occurred on the first day of such period (giving effect to any Pro Forma Cost Savings in connection with any such acquisition).

If any Debt bears a floating rate of interest and is being given *pro forma* effect, the interest expense on such Debt shall be calculated as if the base interest rate in effect for such floating rate of interest on the date of determination had been the applicable base interest rate for the entire period (taking into account any Interest Rate Agreement applicable to such Debt if such Interest Rate Agreement has a remaining term in excess of 12 months). In the event the Capital Stock of any Restricted Subsidiary is sold during the period, the Parent shall be deemed, for purposes of clause (1) above, to have Repaid during such period the Debt of such Restricted Subsidiary to the extent the Parent and its continuing Restricted Subsidiaries are no longer liable for such Debt after such sale.

"*Consolidated Interest Expense*" means, for any period, the total interest expense of the Parent and its consolidated Restricted Subsidiaries, plus, to the extent not included in such total interest expense, and to the extent Incurred by the Parent or its Restricted Subsidiaries,

(a) interest expense attributable to leases constituting part of a Sale and Leaseback Transaction and to Capital Lease Obligations,

(b) amortization of debt discount and debt issuance cost, including commitment fees (other than amortization or write-off of debt issuance costs incurred in connection with or as a result of the Transactions),

(c) capitalized interest,

(d) non-cash interest expense,

(e) commissions, discounts and other fees and charges owed with respect to letters of credit and banker's acceptance financing,

(f) net payments and receipts (if any) associated with Hedging Obligations (including amortization of fees),

(g) Disqualified Stock Dividends,

(h) Preferred Stock Dividends,

(i) interest Incurred in connection with Investments in discontinued operations,

(j) interest accruing on any Debt of any other Person to the extent such Debt is Guaranteed by the Parent or any Restricted Subsidiary, and

(k) the cash contributions to any employee stock ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest or fees to any Person (other than the Parent) in connection with Debt Incurred by such plan or trust.

"*Consolidated Net Income*" means, for any period, the net income (loss) of the Parent and its consolidated Restricted Subsidiaries (and before any reduction in respect of Preferred Stock Dividends that are Restricted Payments); *provided*, *however*, that there shall not be included in such Consolidated Net Income:

(a) any net income (loss) of any Person (other than the Parent) if such Person is not a Restricted Subsidiary, except that, subject to the exclusion contained in clause (c) below, equity of the Parent and its consolidated Restricted Subsidiaries in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed by such Person during such period to the Parent or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to a Restricted Subsidiary, to the limitations contained in clause (b) below),

(b) any net income (loss) of any Restricted Subsidiary if such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions, directly or indirectly, to the Company in the case of a Restricted Subsidiary of the Company or to the Parent in the case of a Restricted Subsidiary of the Parent that is not a Restricted Subsidiary of the Company, except that:

(1) subject to the exclusion contained in clause (c) below, the equity of the Parent and its consolidated Restricted Subsidiaries in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed by such Restricted Subsidiary during such period to the Parent or one of its Restricted Subsidiaries as a dividend or other distribution (subject, in the case of a dividend or other distribution to another Restricted Subsidiary, to the limitation contained in this clause), and

(2) the equity of the Parent and its consolidated Restricted Subsidiaries in a net loss of any such Restricted Subsidiary for such period shall be included in determining such Consolidated Net Income,

(c) any gain or loss realized upon the sale or other disposition of any Property of the Parent or any of its consolidated Restricted Subsidiaries (including pursuant to any Sale and Leaseback Transaction) that is not sold or otherwise disposed of in the ordinary course of business,

(d) any net after-tax extraordinary gain or loss (including all fees and expenses relating thereto),

(e) the cumulative effect of a change in accounting principles;

(f) any non-cash compensation charges or other non-cash expenses or charges arising from the grant, issuance, vesting or repricing of stock, stock options or other equity-based awards or any amendment, modification, substitution or change in any such stock, stock options or other equity-based awards;

(g) any restructuring charges or other non-recurring costs and expenses incurred (x) in connection with the Transactions or (y) incurred prior to the Issue Date;

(h) any non-cash goodwill or other asset impairment charges incurred subsequent to the Issue Date resulting from the application of Statement of Financial Accounting Standards No. 142;

(i) any net after-tax income or loss from discontinued operations and net after-tax gains or losses on disposal of discontinued operations; and

(j) any unrealized gains and losses due solely to fluctuations in currency values and the related tax effects according to GAAP.

Notwithstanding the foregoing, for purposes of Section 4.10 only, there shall be excluded from Consolidated Net Income any dividends, repayments of loans or advances or other transfers of Property from Unrestricted Subsidiaries to the Parent or a Restricted Subsidiary to the extent such dividends, repayments or transfers increase the amount of Restricted Payments permitted under Section 4.10(a)(iii)(D).

"*Corporate Trust Office of the Trustee*" shall be at the address of the Trustee specified in Section 13.02 hereof, or such other address as to which the Trustee may give notice to the Company.

"*Credit Facilities*" means, with respect to the Parent or any Restricted Subsidiary, one or more debt or commercial paper facilities or indentures with banks or other institutional lenders or investors (including without limitation the Senior Secured Credit Facilities) providing for revolving credit loans, term loans, notes, debentures or other debt securities, receivables or inventory financing (including through the sale of receivables or inventory to such lenders or to special purpose, bankruptcy remote entities formed to borrow from such lenders against such receivables or inventory) or trade letters of credit, in each case together with any Refinancings thereof.

"*Currency Exchange Protection Agreement*" means, in respect of a Person, any foreign exchange contract, currency swap agreement, currency option or other similar agreement or arrangement designed for the purpose of fixing, hedging or swapping currency exchange rate risk.

"*Custodian*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03(c) as Custodian with respect to the Notes, and any and

all successors thereto appointed as custodian hereunder and having become such pursuant to the applicable provisions of this Indenture.

"*Debt*" means, with respect to any Person on any date of determination (without duplication):

(a) the principal of and premium (if any) in respect of:

(1) debt of such Person for money borrowed, and

(2) debt evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable;

(b) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale and Leaseback Transactions entered into by such Person;

(c) all obligations of such Person representing the deferred and unpaid purchase price of Property, except to the extent such balance constitutes a trade accounts payable or similar obligation to a trade creditor arising in the ordinary course of business;

(d) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction (other than obligations with respect to letters of credit securing obligations (other than obligations described in (a) through (c) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the third Business Day following receipt by such Person of a demand for reimbursement following payment on the letter of credit);

(e) the amount of all obligations of such Person with respect to the Repayment of any Disqualified Stock or, with respect to any Subsidiary of such Person, any Preferred Stock (but excluding, in each case, any accrued dividends);

(f) all obligations of the type referred to in clauses (a) through (e) above of other Persons and all dividends of other Persons for the payment of which, in either case, such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any Guarantee;

(g) all obligations of the type referred to in clauses (a) through (f) above of other Persons secured by any Lien on any Property of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the Fair Market Value of such Property and the amount of the obligation so secured; and

(h) to the extent not otherwise included in this definition, the net amount paid under any Hedging Obligations of such Person with respect to any Interest Rate Agreement.

The amount of Debt of any Person at any date shall be the outstanding balance, or the accreted value of such Debt in the case of Debt issued with original issue discount, at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date. The amount of Debt represented by a Hedging Obligation shall be equal to:

(1) zero if such Hedging Obligation has been Incurred pursuant to clause (vi), (vii) or (viii) of Section 4.09(b); or

(2) the notional amount of such Hedging Obligation if not Incurred pursuant to such clauses.

"*Default*" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 or 2.10 hereof, in substantially the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03(b) hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provisions of this Indenture.

"*Designated Non-cash Consideration*" means any non-cash consideration received by the Parent or one of its Restricted Subsidiaries in connection with an Asset Sale that is designated as "Designated Non-cash Consideration" pursuant to an officer's certificate executed by the Chief Financial Officer of the Parent. Such officer's certificate shall state the Fair Market Value of such non-cash consideration and the basis of such valuation. A particular item of Designated Non-cash Consideration shall no longer be considered to be outstanding to the extent it has been sold or liquidated for cash (but only to the extent of the cash received).

"*Disinterested Director*" means, with respect to any transaction or series of related transactions, a member of the Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions

"*Disqualified Stock*" means any Capital Stock of the Parent or any of its Restricted Subsidiaries that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in either case at the option of the holder thereof) or otherwise:

(a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise,

(b) is or may become redeemable or repurchaseable at the option of the holder thereof, in whole or in part, or

(c) is convertible or exchangeable at the option of the holder thereof for Debt or Disqualified Stock,

on or prior to, in the case of clause (a), (b) or (c), the date that is 91 days after the Stated Maturity of the Notes; *provided*, *however*, that only the portion of the Capital Stock which so matures or is so mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date, shall be deemed to be Disqualified Stock; *provided*, *further*, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Parent or a Restricted Subsidiary to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (each defined in a substantially identical manner to the corresponding definitions in this Inden-

ture) shall not constitute Disqualified Stock if the terms of such Capital Stock (and all such securities into which it is convertible or for which it is exchangeable) provide that the Parent and the Restricted Subsidiaries may not repurchase or redeem any such Capital Stock (and all such securities into which it is convertible or for which it is exchangeable) pursuant to such provision prior to compliance by the Company with Sections 4.12 and 4.18 and such repurchase or redemption complies with Section 4.10.

"*Disqualified Stock Dividends*" means all dividends with respect to Disqualified Stock of the Parent held by Persons other than a Wholly Owned Restricted Subsidiary; *provided* that Disqualified Stock Dividends shall not include dividends paid or payable through the issuance of additional shares of Capital Stock (other than Disqualified Stock). The amount of any such dividend shall be equal to the quotient of such dividend divided by the difference between one and the effective federal income tax rate (expressed as a decimal number between 1 and 0) then applicable to the Parent.

"*Distribution Compliance Period*" means the 40-day distribution compliance period as defined in Regulation S.

"*Domestic Restricted Subsidiary*" means any Restricted Subsidiary other than (a) a Foreign Restricted Subsidiary or (b) a Subsidiary of a Foreign Restricted Subsidiary.

"*EBITDA*" means, for any period, an amount equal to, for the Parent and its consolidated Restricted Subsidiaries:

(a) the sum of Consolidated Net Income for such period, plus the following to the extent reducing Consolidated Net Income for such period:

(1) the provision for taxes based on income or profits or utilized in computing net loss,

(2) Consolidated Interest Expense,

(3) depreciation,

(4) amortization of intangibles,

(5) any other non-cash items (including, without limitation, charges arising from fair value accounting required by Statement of Financial Accounting Standards No. 133) (other than any such non-cash item to the extent that it represents an accrual of, or reserve for, cash expenditures in any future period),

(6) any restructuring charges (without duplication) as disclosed on the financial statements or the notes related thereto in accordance with GAAP, including, without limitation, $2.5 million identified as the cost of severance for termination of employees associated with downsizing and costs associated with replacing the chief executive officer of the Company, and

(7) any fees, expenses, costs or charges relating to any acquisition, asset sale, or incurrence or amendment of Debt permitted to be incurred or amended, as the case may be, by this Indenture, whether or not successful, including fees, expenses, costs and charges relating to this offering and the other Transactions; *minus*

(b) all non-cash items increasing Consolidated Net Income for such period (other than (i) any such non-cash item to the extent that it will result in the receipt of cash payments in any future period and (ii) reversals of prior accruals or reserves for non-cash items previously excluded from the calculation of EBITDA pursuant to clause (5) of this definition).

Notwithstanding the foregoing clause (a), the provision for taxes and the depreciation, amortization and non-cash items of a Restricted Subsidiary shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted at the date of determination to be dividended to the Parent by such Restricted Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to such Restricted Subsidiary or its shareholders.

"*Equity Offering*" means any public or private sale of common stock or common units, as the case may be, of the Parent.

"*Euroclear*" means Euroclear Bank, S.A./N.V., as operator of the Euroclear systems, and any successor thereto.

"*Event of Default*" has the meaning set forth under Section 6.01.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

"*Exchange Notes*" means the notes issued in exchange for the Notes issued in this offering or any Additional Notes pursuant to a Registration Rights Agreement.

"*Exchange Offer*" has the meaning set forth in a Registration Rights Agreement relating to an exchange of Notes registered under the Securities Act for Notes not so registered.

"*Exchange Offer Registration Statement*" has the meaning set forth in a Registration Rights Agreement.

"*Excluded Contributions*" mean the net cash proceeds received by the Parent after the Issue Date from (a) contributions to its common equity capital and (b) the sale (other than to a Subsidiary or pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement of the Parent or any of its Subsidiaries) of Capital Stock (other than Disqualified Stock) of the Parent, in each case, designated within 30 days of the receipt of such net cash proceeds as Excluded Contributions pursuant to an Officers' Certificate; *provided* that such net cash proceeds shall be excluded from the calculation set forth in clause (a)(iii)(B) of Section 4.10.

"*Existing Notes*" mean the 9¼% Senior Subordinated Notes due 2012 of the Company.

"*Fair Market Value*" means, with respect to any Property, the price that could reasonably be negotiated in an arm's-length transaction, for cash, between a willing seller and a willing buyer, neither of whom is under undue pressure or compulsion to complete the transaction. Fair Market Value shall be determined, except as otherwise provided,

(a) if such Property has a Fair Market Value equal to or less than $5.0 million, by any Officer of the Company, or

(b) if such Property has a Fair Market Value in excess of $5.0 million, by at least a majority of the Board of Directors and evidenced by a Board Resolution, dated within 30 days of the relevant transaction, delivered to the Trustee.

"*Foreign Restricted Subsidiary*" means any Restricted Subsidiary which is not organized under the laws of the United States of America or any State thereof or the District of Columbia.

"*GAAP*" means United States generally accepted accounting principles as in effect on the Issue Date, including those set forth in:

(a) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants;

(b) the statements and pronouncements of the Financial Accounting Standards Board;

(c) such other statements by such other entity as approved by a significant segment of the accounting profession; and

(d) the rules and regulations of the Commission governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the Commission.

"*Global Note Legend*" means the legend set forth in Section 2.06(h)(ii), which is required to be placed on all Global Notes issued under this Indenture.

"*Global Notes*" means the global Notes in the form of Exhibit A hereto issued in accordance with Article 2 hereof.

"*guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Debt of any other Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, or to maintain financial statement conditions or otherwise); or

(b) entered into for the purpose of assuring in any other manner the obligee against loss in respect thereof (in whole or in part);

provided, *however*, that the term "guarantee" shall not include:

(1) endorsements for collection or deposit in the ordinary course of business; or

(2) a contractual commitment by one Person to invest in another Person for so long as such Investment is reasonably expected to constitute a Permitted Investment under clause (a), (b) or (c) of the definition of "Permitted Investment."

The term "guarantee" used as a verb has a corresponding meaning. The term "guarantor" shall mean any Person providing a Guarantee.

"*Guarantee*" means a Guarantee of the Notes on the terms set forth in Article 10 hereof and in the form of the Guarantee attached hereto as Exhibit E by a Guarantor of the Company's obligations with respect to the Notes and any additional Guarantee of the Notes to be executed by any Person pursuant to Section 4.19.

"*Guarantor*" means the Parent, each Domestic Restricted Subsidiary (other than the Company) and any other Person that becomes a Guarantor pursuant to Section 4.19 or who otherwise executes and delivers a supplemental indenture to the Trustee providing for a Guarantee.

"*Hedging Obligation*" of any Person means any obligation of such Person pursuant to any Interest Rate Agreement, Currency Exchange Protection Agreement or Commodity Price Protection Agreement or any other similar agreement or arrangement.

"*Holder*" means a Person in whose name a Note is registered.

"*Incur*" means, with respect to any Debt or other obligation of any Person, to create, issue, incur (by merger, conversion, exchange or otherwise), extend, assume, Guarantee or become liable in respect of such Debt or other obligation or the recording, as required pursuant to GAAP or otherwise, of any such Debt or obligation on the balance sheet of such Person (and "Incurrence" and "Incurred" shall have meanings correlative to the foregoing); *provided* that a change in GAAP that results in an obligation of such Person that exists at such time, and is not theretofore classified as Debt, becoming Debt shall not be deemed an Incurrence of such Debt; *provided*, *further*, that any Debt or other obligations of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary. Solely for purposes of determining compliance with Section 4.09, the amortization of debt discount shall not be deemed to be the Incurrence of Debt; *provided* that in the case of Debt sold at a discount, the amount of such Debt Incurred shall at all times be the accreted value of such Debt.

"*Indenture*" means this instrument, as originally executed or as it may from time to time be supplemented or amended in accordance with Article 9 hereof.

"*Independent Financial Advisor*" means an investment banking firm of national standing or any third party appraiser of national standing; *provided* that such firm or appraiser is not an Affiliate of the Parent or the Company.

"*Independent Investment Banker*" means one of the Reference Treasury Dealers appointed by the Trustee after consultation with the Company.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Notes*" means $150,000,000 aggregate principal amount of Notes issued under this Indenture on the date hereof.

"*Interest Payment Dates*" shall have the meaning set forth in paragraph 1 of each Note.

"*Interest Rate Agreement*" means, for any Person, any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement or other similar agreement designed for the purpose of fixing, hedging or swapping interest rate risk.

"*Investment*" by any Person means any direct or indirect loan (other than advances to customers in the ordinary course of business that are recorded as accounts receivable on the balance sheet of such Person), advance or other extension of credit (other than advances to employees for travel and other business expenses in the ordinary course of business) or capital contribution (by means of transfers of cash or other Property to others or payments for Property or services for the account or use of others, or otherwise) to, or Incurrence of a guarantee of any obligation of, or purchase or acquisition of Capital Stock, bonds, notes, debentures or other securities or evidence of Debt issued by, any other Person. For purposes of Section 4.10 and Section 4.17 and the definition of "Restricted Payment," the term "Investment" shall include the portion (proportionate to the Parent's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Parent at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided, however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Parent shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary of an amount (if positive) equal to:

(a) the Parent's "Investment" in such Subsidiary at the time of such redesignation, less

(b) the portion (proportionate to the Parent's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation.

The term "Investment" shall also include the issuance, sale or other disposition of Capital Stock of any Restricted Subsidiary to a Person other than the Parent or another Restricted Subsidiary if the result thereof is that such Restricted Subsidiary shall cease to be a Restricted Subsidiary, in which event the amount of such "Investment" shall be the Fair Market Value of the remaining interest, if any, in such former Restricted Subsidiary held by the Parent and the other Restricted Subsidiaries. In determining the amount of any Investment made by transfer of any Property other than cash, such Property shall be valued at its Fair Market Value at the time of such Investment.

"*Issue Date*" means March 24, 2010.

"*Legal Holiday*" means a Saturday, a Sunday or a day on which banking institutions in the City of New York, the city in which the Corporate Trust Office of the Trustee is located or any other place of payment on the Notes are authorized by law, regulation or executive order to remain closed.

"*Letter of Transmittal*" means the letter of transmittal, or its electronic equivalent in accordance with the Applicable Procedures, to be prepared by the Company and sent to all Holders of the Initial Notes or any Additional Notes for use by such Holders in connection with an Exchange Offer.

"*Lien*" means, with respect to any Property of any Person, any mortgage or deed of trust, pledge, hypothecation, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance or other security agreement with respect to such Property (including any Capital Lease Obligation, conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing or any Sale and Leaseback Transaction); *provided* that in no event shall an operating lease be deemed to constitute a Lien.

"*Moody's*" means Moody's Investors Service, Inc. or any successor to the rating agency business thereof.

"*Net Available Cash*" from any Asset Sale means cash payments received from such Asset Sale (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other con-

sideration received in the form of assumption by the acquiring Person of Debt or other obligations relating to the Property that is the subject of such Asset Sale or received in any other non-cash form), in each case net of:

(a) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all Federal, state, provincial, foreign and local taxes required to be accrued as a liability under GAAP, as a consequence of such Asset Sale,

(b) all payments made on or in respect of any Debt that is secured by any Property subject to such Asset Sale (other than with respect to the Senior Secured Credit Facilities), in accordance with the terms of any Lien upon such Property, or which must by its terms, or in order to obtain a necessary consent to such Asset Sale, or by applicable law, be repaid out of the proceeds from such Asset Sale,

(c) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Sale, and

(d) the deduction of appropriate amounts provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the Property disposed of in such Asset Sale and retained by the Parent or any Restricted Subsidiary after such Asset Sale, including without limitation pension and other post-employment benefit liabilities, liabilities relating to environmental matters and liabilities under any indemnification liabilities associated with an Asset Sale.

"*Non-Recourse Debt*," with respect to any Person, means Debt of such Person for which the sole legal recourse for collection of principal and interest on such Debt is against the specific property identified in the instruments evidencing or securing such Debt.

"*Obligations*" means all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Debt.

"*Officer*" means the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President or Secretary of the Company.

"*Officers' Certificate*" means a certificate signed by two Officers of the Company, at least one of whom shall be the principal executive officer or principal financial officer of the Company, and delivered to the Trustee.

"*Opinion of Counsel*" means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the Company.

"*Parent*" means Prestige Brands Holdings, Inc., and any successor thereto.

"*Participant*" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively, and, with respect to DTC, shall include Euroclear and Clearstream.

"*Permitted Business*" means any business that is reasonably related, ancillary or complementary to the businesses of the Parent and the Restricted Subsidiaries on the Issue Date or other business that is a reasonable extension or expansion of such businesses.

"*Permitted Investment*" means any Investment by the Parent or a Restricted Subsidiary in:

(a) the Parent or any Restricted Subsidiary,

(b) any Person that will, upon the making of such Investment, become a Restricted Subsidiary; *provided* that the primary business of such Restricted Subsidiary is a Permitted Business;

(c) any Person if as a result of such Investment such Person is merged or consolidated with or into, or transfers or conveys all or substantially all its Property to, the Parent or a Restricted Subsidiary; *provided* that such Person's primary business is a Permitted Business;

(d) cash and Cash Equivalents;

(e) receivables owing to the Parent or a Restricted Subsidiary and prepaid expenses, in each case, created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided*, *however*, that such trade terms may include such concessionary trade terms as the Parent or such Restricted Subsidiary deems reasonable under the circumstances;

(f) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(g) loans and advances to employees made in the ordinary course of business; *provided* that such loans and advances do not exceed $2.0 million in the aggregate at any one time outstanding;

(h) Investments received in settlement, compromise or resolution of (i) debts created in the ordinary course of business and owing to the Parent or a Restricted Subsidiary or (ii) litigation, arbitration or other disputes with Persons;

(i) any Investment made as a result of the receipt of non-cash consideration received in connection with (A) an Asset Sale consummated in compliance with Section 4.12 or (B) any disposition of Property not constituting an Asset Sale;

(j) any Investment acquired solely in exchange for the issuance of Capital Stock (other than Disqualified Stock) of Parent;

(k) Investments existing on the Issue Date;

(l) any Hedging Obligation;

(m) Investments in a Securitization Subsidiary that are necessary to effect a Permitted Receivables Financing;

(n) advances, loans or extensions of credit to suppliers and vendors in the ordinary course of business;

(o) Investments resulting from the acquisition of a Person that at the time of such acquisition held instruments constituting Investments that were not acquired in contemplation of the acquisition of such Person;

(p) guarantees not otherwise permitted under clause (a) above which are permitted under Section 4.09 that do not exceed $5,000,000 in the aggregate outstanding at any one time; and

(q) other Investments not otherwise permitted under clauses (a) through (p) above made for Fair Market Value that do not exceed $20.0 million in the aggregate outstanding at any one time.

For purposes of determining Permitted Investments, in the event that an Investment meets the criteria of more than one of the categories of (a) through (q) above, the Company shall, in its sole discretion, classify (or later reclassify in whole or in part, in its sole discretion) such Investment in any manner that complies with the foregoing definition.

"*Permitted Liens*" means:

(a) Liens to secure Debt permitted to be Incurred under clause (ii) of Section 4.09(b);

(b) Liens to secure Debt permitted to be Incurred under clause (iii) of Section 4.09(b); *provided* that any such Lien may not extend to any Property of the Parent or any Restricted Subsidiary, other than the Property acquired, constructed or leased with the proceeds of such Debt and any improvements or accessions to such Property;

(c) Liens to secure Debt permitted to be Incurred under clause (xiv) of Section 4.09(b);

(d) Liens for taxes, assessments or governmental charges or levies on the Property of the Parent or any Restricted Subsidiary if the same shall not at the time be delinquent or thereafter can be paid without penalty, or are being contested in good faith and by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision that shall be required in conformity with GAAP shall have been made therefor;

(e) Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens, on the Property of the Parent or any Restricted Subsidiary arising in the ordinary course of business;

(f) Liens on the Property of the Parent or any Restricted Subsidiary Incurred in the ordinary course of business to secure performance of obligations with respect to statutory or regulatory requirements, performance or return-of-money bonds, surety bonds or other obligations of a like nature, in each case which are not Incurred in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of Property and which do not in the aggregate impair in any material respect the use of Property in the operation of the business of the Parent and the Restricted Subsidiaries taken as a whole;

(g) Liens on Property at the time the Parent or any Restricted Subsidiary acquired such Property, including any acquisition by means of a merger or consolidation with or into the Parent or any Restricted Subsidiary; *provided*, *however*, that any such Lien may not extend to any other Property of the Parent or any Restricted Subsidiary; *provided further*, *however*, that such

Liens shall not have been Incurred in anticipation of or in connection with the transaction or series of transactions pursuant to which such Property was acquired by the Parent or any Restricted Subsidiary;

(h) Liens on the Property of a Person at the time such Person becomes a Restricted Subsidiary; *provided, however*, that any such Lien may not extend to any other Property of the Parent or any other Restricted Subsidiary that is not a direct Subsidiary of such Person; *provided further*, *however*, that any such Lien was not Incurred in anticipation of or in connection with the transaction or series of transactions pursuant to which such Person became a Restricted Subsidiary;

(i) pledges or deposits by the Parent or any Restricted Subsidiary under workers' compensation laws, unemployment insurance laws or similar legislation, or good faith deposits in connection with bids, tenders, contracts (other than for the payment of Debt) or leases to which the Parent or any Restricted Subsidiary is party, or deposits to secure public or statutory obligations of the Parent or the Company, or deposits for the payment of rent, in each case Incurred in the ordinary course of business;

(j) utility easements, building restrictions and such other encumbrances or charges against real Property as are of a nature generally existing with respect to properties of a similar character;

(k) Liens existing on the Issue Date not otherwise described in clauses (a) through (j) above;

(l) Liens on the Property of the Parent or any Restricted Subsidiary to secure any Refinancing, in whole or in part, of any Debt secured by Liens referred to in clause (g), (h) or (k) above; *provided, however*, that any such Lien shall be limited to all or part of the same Property that secured the original Lien (together with improvements and accessions to such Property), and the aggregate principal amount of Debt that is secured by such Lien shall not be increased to an amount greater than the sum of:

(1) the outstanding principal amount, or, if greater, the committed amount, of the Debt secured by Liens described under clause (g), (h) or (k) above, as the case may be, at the time the original Lien became a Permitted Lien under this Indenture, and

(2) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, incurred by the Parent or such Restricted Subsidiary in connection with such Refinancing; and

(m) Liens in favor of the Parent or any of its Restricted Subsidiaries;

(n) Liens securing Hedging Obligations which Hedging Obligations relate to Debt that is otherwise permitted to be Incurred under the terms of this Indenture;

(o) Liens on assets transferred to a Securitization Subsidiary on assets of a Securitization Subsidiary Incurred in connection with a Permitted Receivables Financing;

(p) Liens arising from filing Uniform Commercial Code financing statements regarding leases;

(q) judgment Liens not giving rise to an Event of Default;

(r) Liens securing the Notes together with any Additional Notes and any Guarantees; and

(s) Liens not otherwise permitted by clauses (a) through (r) above securing Debt in an amount not to exceed $10.0 million.

"*Permitted Receivables Financing*" means any receivables financing facility or arrangement pursuant to which a Securitization Subsidiary purchases or otherwise acquires accounts receivable and any assets related thereto, including without limitation, all collateral securing such accounts receivable and other assets (including contract rights) and all guarantees and other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets (including contract rights) which are customarily transferred or in respect of which security interests are granted, including with respect to asset securitization transactions, of the Parent or any Restricted Subsidiary and enters into a third party financing thereof on terms that the Board of Directors has concluded as evidenced by a Board Resolution are customary and market terms fair to the Parent and its Restricted Subsidiaries.

"*Permitted Refinancing Debt*" means any Debt that Refinances any other Debt, including any successive Refinancings, so long as:

(a) such Debt is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of:

(1) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding of the Debt being Refinanced, and

(2) an amount necessary to pay any accrued interest on the Debt being Refinanced and any fees and expenses, including premiums and defeasance costs, related to such Refinancing,

(b) the Average Life of such Debt is equal to or greater than the Average Life of the Debt being Refinanced,

(c) the Stated Maturity of such Debt is no earlier than the Stated Maturity of the Debt being Refinanced, and

(d) the new Debt shall be subordinated in right of payment to the Notes or Guarantees as applicable, if the Debt that is being Refinanced was subordinated in right of payment to the Notes or Guarantees, as applicable;

provided, *however*, that Permitted Refinancing Debt shall not include:

(x) Debt of a Subsidiary of the Parent that is not a Guarantor (other than the Company) that Refinances Debt of the Company or a Guarantor, or

(y) Debt of the Parent or a Restricted Subsidiary that Refinances Debt of an Unrestricted Subsidiary.

"*Person*" means any individual, corporation, company (including any limited liability company), association, partnership, joint venture, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"*Predecessor Note*" of any particular Note means every previous Note evidencing all or a portion of the same Debt as that evidenced by such particular Note; and any Note authenticated and delivered under Section 2.07 in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same Debt as the lost, destroyed or stolen Note.

"*Preferred Stock*" means any Capital Stock of a Person, however designated, which entitles the holder thereof to a preference with respect to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of any other class of Capital Stock issued by such Person.

"*Preferred Stock Dividends*" means all dividends with respect to Preferred Stock of Restricted Subsidiaries held by Persons other than the Parent or a Wholly Owned Restricted Subsidiary or dividends paid or payable through the issuance of additional shares of Capital Stock (other than Disqualified Stock). The amount of any such dividend shall be equal to the quotient of such dividend divided by the difference between one and the effective federal income rate (expressed as a decimal number between 1 and 0) then applicable to the issuer of such Preferred Stock.

"*Private Placement Legend*" means the legend set forth in Section 2.06(h)(i) hereof to be placed on all Notes issued under this Indenture except as otherwise permitted by the provisions of this Indenture.

"*pro forma*" means, with respect to any calculation made or required to be made pursuant to the terms hereof, a calculation performed in accordance with Article 11 of Regulation S-X promulgated under the Securities Act, as interpreted in good faith by the Board of Directors after consultation with the independent certified public accountants of the Company, or otherwise a calculation made in good faith by the Board of Directors after consultation with the independent certified public accountants of the Company, as the case may be.

"*Pro Forma Cost Savings*" means, with respect to any period, the reduction in net costs and related adjustments that (1) were directly attributable to an acquisition that occurred during the four-quarter period or after the end of the four-quarter period and on or prior to the determination date and calculated on a basis that is consistent with Regulation S-X under the Securities Act as in effect and applied as of the Issue Date; (2) were actually implemented with respect to the acquisition within six months after the date of the acquisition and prior to the determination date that are supportable and quantifiable by underlying accounting records or (3) relate to the acquisition and that the Board of Directors of the Company reasonably determines are probable and based upon specifically identifiable actions to be taken within six months of the date of the acquisition and, in the case of each of (1), (2) and (3), are described as provided below in an Officers' Certificate, as if all such reductions in costs had been effected as of the beginning of such period. Pro Forma Cost Savings described above shall be established by a certificate delivered to the Trustee from the Chief Financial Officer of the Company that outlines the specific actions taken or to be taken and the net cost savings achieved or to be achieved from each such action and, in the case of clause (3) above, that states such savings have been determined to be probable.

"*Property*" means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including Capital Stock in, and other securities of, any other Person. For purposes of any calculation required pursuant to this Indenture, the value of any Property shall be its Fair Market Value.

"*Purchase Money Debt*" means Debt:

(a) consisting of the deferred purchase price of Property (including Debt issued to any Person owning such Property), conditional sale obligations, obligations under any title retention agreement, other purchase money obligations and obligations in respect of industrial revenue bonds, in each case where the maturity of such Debt does not exceed the anticipated useful life of the Property being financed, and

(b) Incurred to finance the acquisition (whether through the direct purchase of Property or the Capital Stock of any Person owning such Property), construction or lease by the Parent or a Restricted Subsidiary of such Property, including additions and improvements thereto;

provided, *however*, that such Debt is Incurred within 180 days after the acquisition, construction or lease of such Property by the Parent or such Restricted Subsidiary.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Reference Treasury Dealer*" means Banc of America Securities LLC or Deutsche Bank Securities Inc. and their respective successors; *provided*, *however*, that if any of the foregoing shall cease to be a primary U.S. Government Securities dealer in New York City (a "*Primary Treasury Dealer*"), the Company shall substitute therefor another Primary Treasury Dealer.

"*Reference Treasury Dealer Quotations*" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Trustee, of the bid and ask prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Trustee by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such redemption date.

"*Refinance*" means, in respect of any Debt, to refinance, extend, modify, restate, substitute, amend, renew, refund or Repay, or to issue other Debt, in exchange or replacement for, such Debt. "Refinanced" and "Refinancing" shall have correlative meanings.

"*Registration Rights Agreement*" means the Registration Rights Agreement dated as of the Issue Date, among the Company, the Guarantors and the initial purchasers named therein, as such agreement may be amended, modified or supplemented from time to time and, with respect to any Additional Notes, one or more registration rights agreements between the Company and the other parties thereto, as such agreement(s) may be amended, modified or supplemented from time to time, relating to rights given by the Company to the purchasers of Additional Notes to register such Additional Notes, or exchange such Additional Notes for registered Notes, under the Securities Act.

"*Regular Record Date*" for the interest payable on any Interest Payment Date means the applicable date specified as a "Record Date" on the face of the Note.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Regulation S Temporary Global Note or a Regulation S Permanent Global Note, as appropriate.

"*Regulation S Permanent Global Note*" means a Global Note in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the out-

standing principal amount of the Regulation S Temporary Global Note upon expiration of the Distribution Compliance Period.

"*Regulation S Temporary Global Note*" means a Global Note in the form of Exhibit A hereto bearing the Global Note Legend, the Private Placement Legend and the Regulation S Temporary Global Note Legend and deposited with and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold for initial resale in reliance on Rule 903 of Regulation S.

"*Regulation S Temporary Global Note Legend*" means the legend set forth in Section 2.06(h)(iii) hereof to be placed on all Regulation S Temporary Global Notes issued under this Indenture.

"*Repay*" means, in respect of any Debt, to repay, prepay, repurchase, redeem, legally defease or otherwise retire such Debt. "Repayment" and "Repaid" shall have correlative meanings. For purposes of Section 4.12 and the definition of "Consolidated Interest Coverage Ratio," Debt shall be considered to have been Repaid only to the extent the related loan commitment, if any, shall have been permanently reduced in connection therewith.

"*Responsible Officer*," when used with respect to the Trustee, means any officer within the Corporate Trust Department of the Trustee (or any successor group of the Trustee) with direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note*" means one or more Definitive Notes bearing the Private Placement Legend.

"*Restricted Global Notes*" means 144A Global Notes and Regulation S Global Notes.

"*Restricted Payment*" means:

(a) any dividend or distribution (whether made in cash, securities or other Property) declared or paid on or with respect to any shares of Capital Stock of the Parent or any Restricted Subsidiary (including any payment in connection with any merger or consolidation with or into the Parent or any Restricted Subsidiary), except for any dividend or distribution that is made solely to the Parent or a Restricted Subsidiary (and, if such Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, to the other shareholders of such Restricted Subsidiary on a *pro rata* basis or on a basis that results in the receipt by the Parent or a Restricted Subsidiary of dividends or distributions of greater value than it would receive on a *pro rata* basis) or any dividend or distribution payable solely in shares of Capital Stock (other than Disqualified Stock) of the Parent;

(b) the purchase, repurchase, redemption, acquisition or retirement for value of any Capital Stock of the Parent or any Restricted Subsidiary (other than from the Parent, a Restricted Subsidiary or any non-Affiliate of the Company that owns Capital Stock of the Parent or any Restricted Subsidiary) or any securities exchangeable for or convertible into any such Capital Stock, including the exercise of any option to exchange any Capital Stock (other than for or into Capital Stock of the Parent that is not Disqualified Stock);

(c) the purchase, repurchase, redemption, acquisition or retirement for value, prior to the date for any scheduled maturity, sinking fund or amortization or other installment payment, of any Subordinated Debt (other than the purchase, repurchase or other acquisition of any Subordinated Debt purchased in anticipation of satisfying a scheduled maturity, sinking fund or amortization or other installment obligation, in each case due within one year of the date of acquisition); or

(d) any Investment (other than Permitted Investments) in any Person.

"*Restricted Subsidiary*" means the Company and any other Subsidiary of the Parent other than an Unrestricted Subsidiary.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"*S&P*" means Standard & Poor's Ratings Services or any successor to the rating agency business thereof.

"*Sale and Leaseback Transaction*" means any direct or indirect arrangement relating to Property now owned or hereafter acquired whereby the Parent or a Restricted Subsidiary transfers such Property to another Person and the Parent or a Restricted Subsidiary leases it from such Person.

"*Securities Act*" means the Securities Act of 1933, as amended.

"*Securitization Subsidiary*" means a Subsidiary of the Parent:

(a) that is designated a "Securitization Subsidiary" by the Board of Directors;

(b) that does not engage in, and whose charter documents prohibit it from engaging in, any activities other than Permitted Receivables Financings and any activities necessary, incidental or related thereto;

(c) no portion of the Debt or any other obligation, contingent or otherwise, of which:

(A) is guaranteed by the Parent or any Restricted Subsidiary;

(B) is recourse to or obligates the Parent or any Restricted Subsidiary in any way, or

(C) subjects any Property or asset of the Parent or any Restricted Subsidiary, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than Standard Securitization Undertakings;

(d) with respect to which neither the Parent nor any Restricted Subsidiary (other than an Unrestricted Subsidiary) has any obligation to maintain or preserve its financial condition or cause it to achieve certain levels of operating results other than, in respect of clauses (c) and (d),

pursuant to customary representations, warranties, covenants and indemnities entered into in connection with a Permitted Receivables Financing.

"*Senior Secured Credit Facilities*" means the Debt represented by:

(1) the Credit Agreement, dated as of the date of this Indenture, among the Company, as borrower thereunder, the Parent, Bank of America, N.A. as administrative agent, Deutsche Bank Securities Inc., as syndication agent, joint lead arranger and joint book-running manager, Banc of America Securities LLC, as joint lead arranger and joint book-running manager and the lenders and issuers party thereto, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents), as the same may be amended, supplemented or otherwise modified from time to time, including amendments, supplements, or modifications relating to the addition or elimination of subsidiaries of the Company as borrowers, guarantors or other credit parties thereunder; and

(2) any renewal, extension, refunding, restructuring, replacement or refinancing thereof (whether with the original administrative agent and lenders or another administrative agent or agents or one or more other lenders and whether provided under the original Senior Secured Credit Facilities or one or more other credit or other agreements).

"*Shelf Registration Statement*" means the registration statement relating to the registration of the Notes under Rule 415 of the Securities Act, as may be set forth in a Registration Rights Agreement.

"*Significant Restricted Subsidiary*" means any Restricted Subsidiary that would be a "significant subsidiary" of the Parent within the meaning of Rule 1-02 under Regulation S-X promulgated by the Commission.

"*Special Interest*" has the meaning set forth in a Registration Rights Agreement relating to amounts to be paid in the event the Company fails to satisfy certain conditions set forth herein. For all purposes of this Indenture, the term "interest" shall include Special Interest, if any, with respect to the Notes.

"*Standard Securitization Undertakings*" means representations, warranties, covenants and indemnities entered into by the Parent or any of its Restricted Subsidiaries which are reasonably and customary in the securitization of receivables transactions.

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred).

"*Subordinated Debt*" means any Debt of the Company or any Guarantor (whether outstanding on the Issue Date or thereafter Incurred) that is subordinate or junior in right of payment to the Notes or the applicable Guarantee pursuant to a written agreement to that effect.

"*Subsidiary*" means, in respect of any Person, any corporation, company (including any limited liability company), association, partnership, joint venture or other business entity of which at least a majority of the total voting power of the Voting Stock is at the time owned or controlled, directly or indirectly, by:

(a) such Person;

(b) such Person and one or more Subsidiaries of such Person; or

(c) one or more Subsidiaries of such Person.

"*Surviving Person*" means the surviving Person formed by a merger, consolidation or amalgamation and, for purposes of Section 5.01, a Person to whom all or substantially all of the Property of the Company or a Guarantor is sold, transferred, assigned, leased, conveyed or otherwise disposed.

"*TIA*" means the Trust Indenture Act of 1939, as amended, and the rules and regulations thereunder.

"*Transactions*" means the offering of $150,000,000 of the Notes, the offer to purchase the Existing Notes and the entering into of the Senior Secured Credit Facility.

"*Treasury Rate*" means, with respect to any redemption date, the rate per annum equal to the yield to maturity of the Comparable Treasury Issue, compounded semi-annually, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"*Trustee*" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean such successor Trustee.

"*Unrestricted Definitive Notes*" means one or more Definitive Notes that do not and are not required to bear the Private Placement Legend.

"*Unrestricted Global Notes*" means one or more Global Notes that do not and are not required to bear the Private Placement Legend and are deposited with and registered in the name of the Depositary or its nominee.

"*Unrestricted Subsidiary*" means:

(a) any Subsidiary of the Company that is designated after the Issue Date as an Unrestricted Subsidiary as permitted or required pursuant to Section 4.17 and is not thereafter redesignated as a Restricted Subsidiary as permitted pursuant thereto; and

(b) any Subsidiary of an Unrestricted Subsidiary.

"*U.S. Government Obligations*" means obligations issued or directly and fully guaranteed or insured (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged.

"*Voting Stock*" of any Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or other voting members of the governing body of such Person.

"*Wholly Owned Restricted Subsidiary*" means, at any time, a Restricted Subsidiary all the Voting Stock of which (except directors' qualifying shares) is at such time owned, directly or indirectly, by the Company and its other Wholly Owned Restricted Subsidiaries.

Section 1.02. **Other Definitions**.

Term	Defined in Section
"Acceleration Notice"	6.02
"Affiliate Transaction"	4.14
"Allocable Excess Proceeds"	4.12
"Authentication Order"	2.02
"Benefited Party"	10.01
"Change of Control Offer"	4.18
"Change of Control Amount"	4.18
"Covenant Defeasance"	8.03
"Defaulted Interest Payment Date"	2.12
"defeasance trust"	8.04
"DTC"	2.03
"Excess Proceeds"	4.12
"Legal Defeasance"	8.02
"losses"	7.07
"Offer Amount"	3.09
"Offer Period"	3.09
"Offer to Purchase"	3.09
"Paying Agent"	2.03
"Permitted Debt"	4.09
"Prepayment Offer"	4.12
"Purchase Date"	3.09
"Purchase Price"	3.09
"Registrar"	2.03
"Security Register"	2.03

Section 1.03. **Incorporation by Reference of Trust Indenture Act**.

(a) Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

(b) The following TIA terms used in this Indenture have the following meanings:

"*indenture securities*" means the Notes and the Guarantees;

"*indenture security holder*" means a Holder of a Note;

"*indenture to be qualified*" means this Indenture;

"*indenture trustee*" or "*institutional trustee*" means the Trustee; and

"*obligor*" on the Notes means the Company and any successor obligor upon the Notes.

(c) All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by Commission rule under the TIA and not otherwise defined herein have the meanings so assigned to them either in the TIA, by another statute or Commission rule, as applicable.

Section 1.04. **Rules of Construction**.

(a) Unless the context otherwise requires:

(i) a term has the meaning assigned to it;

(ii) an accounting term not otherwise defined herein has the meaning assigned to it in accordance with GAAP;

(iii) "or" is not exclusive;

(iv) words in the singular include the plural, and in the plural include the singular;

(v) all references in this instrument to "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed;

(vi) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(vii) "including" means "including without limitation";

(viii) provisions apply to successive events and transactions; and

(ix) references to sections of or rules under the Securities Act, the Exchange Act or the TIA shall be deemed to include substitute, replacement or successor sections or rules adopted by the Commission from time to time thereunder.

ARTICLE 2.

THE NOTES

Section 2.01. **Form and Dating**.

(a) ***General***. The Notes and the Trustee's certificate of authentication shall be substantially in the form included in Exhibit A hereto, which is hereby incorporated in and expressly made part of this Indenture. The Notes may have notations, legends or endorsements required by law, exchange rule or usage in addition to those set forth on Exhibit A. Each Note shall be dated the date of its authentication. The Notes shall be in denominations of $2,000 and integral multiples of $1,000. The terms and provisions contained in the Notes shall constitute a part of this Indenture and the Company, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. To the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) ***Form of Notes***. Notes issued in global form shall be substantially in the form of Exhibit A attached hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form shall be substantially in the form of

Exhibit A attached hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note shall represent such aggregate principal amount of the outstanding Notes as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions and transfers of interests therein. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) ***Temporary Global Notes***. Notes offered and sold in reliance on Regulation S shall be issued initially in the form of the Regulation S Temporary Global Note, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, at its New York office, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Clearstream, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Distribution Compliance Period shall be terminated upon the receipt by the Trustee of (i) a written certificate from the Depositary, together with copies of certificates from Euroclear and Clearstream certifying that they have received certification of non-United States beneficial ownership of 100% of the aggregate principal amount of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Distribution Compliance Period pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a Global Note, bearing a Private Placement Legend, all as contemplated by Section 2.06(b) hereof), and (ii) an Officers' Certificate from the Company. Following the termination of the distribution Compliance Period, beneficial interests in the Regulation S Temporary Global Note shall be exchanged for beneficial interests in the Regulation S Permanent Global Note pursuant to the Applicable Procedures. Simultaneously with the authentication of the Regulation S Permanent Global Note, the Trustee shall cancel the Regulation S Temporary Global Note. The aggregate principal amount of the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary or its nominee, as the case may be, in connection with transfers of interests as hereinafter provided.

(d) ***Affiliates as Holders of the Notes.*** Notes initially issued to or transferred to Affiliates of the Company shall only be issued in the form of permanent certificated Notes in registered form in substantially the form set forth in Exhibit A attached hereto. For the avoidance of doubt, unless and until exchanged for an Exchange Note or sold in connection with an effective Shelf Registration Statement, Affiliates of the Company may only hold an interest in Notes in the form of permanent certificated Notes and are prohibited from taking a beneficial interest in one or more Global Notes.

(e) ***Book-Entry Provisions***. This Section 2.01(d) shall apply only to Global Notes deposited with the Trustee, as custodian for the Depositary. Participants and Indirect Participants shall have no rights under this Indenture or any Global Note with respect to any Global Note held on their behalf by the Depositary or by the Trustee as custodian for the Depositary, and the Depositary shall be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Participants or Indirect Participants, the Applicable Procedures or the operation of customary practices of the Depositary governing the exercise of the rights of a holder of a beneficial interest in any Global Note.

(f) ***Euroclear and Clearstream Procedures Applicable***. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream" and "Customer Handbook" of Clearstream shall be applicable to transfers of beneficial interests in Global Notes that are held by Participants through Euroclear or Clearstream.

Section 2.02. **Execution and Authentication**.

(a) One Officer shall execute the Notes on behalf of the Company by manual or facsimile signature.

(b) If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated by the Trustee, the Note shall nevertheless be valid.

(c) A Note shall not be valid until authenticated by the manual signature of the Trustee. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture.

(d) The Trustee shall, upon a written order of the Company signed by an Officer (an "***Authentication Order***"), authenticate Notes for issuance.

(e) The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. Unless otherwise provided in such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent shall have the same rights as the Trustee to deal with Holders, the Company or an Affiliate of the Company.

Section 2.03. **Registrar and Paying Agent**.

(a) The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("***Registrar***") and an office or agency where Notes may be presented for payment ("***Paying Agent***"). The Registrar shall keep a register (the "***Security Register***") of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company shall notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

(b) The Company initially appoints The Depository Trust Company ("***DTC***") to act as Depositary with respect to the Global Notes.

(c) The Company initially appoints the Trustee to act as Registrar and Paying Agent and to act as Custodian with respect to the Global Notes, and the Trustee hereby agrees so to initially act.

Section 2.04. **Paying Agent to Hold Money in Trust**.

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium, if any, or interest on the Notes, and shall notify the Trustee of any default by the Company in making any such payment. While any such default continues,

the Trustee may require a Paying Agent to pay all funds held by it relating to the Notes to the Trustee. The Company at any time may require a Paying Agent to pay all funds held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) shall have no further liability for such funds. If the Company or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all funds held by it as Paying Agent. Upon any Event of Default under Sections 6.01(h) and (i) hereof relating to the Company, the Trustee shall serve as Paying Agent for the Notes.

Section 2.05. **Holder Lists**.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA §312(a). If the Trustee is not the Registrar, the Company shall furnish or cause to be furnished to the Trustee at least seven Business Days before each Interest Payment Date and at such other times as the Trustee may request in writing, a list in such form and as of such date or such shorter time as the Trustee may allow, as the Trustee may reasonably require of the names and addresses of the Holders and the Company shall otherwise comply with TIA §312(a).

Section 2.06. **Transfer and Exchange**.

(a) ***Transfer and Exchange of Global Notes***. A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes shall be exchanged by the Company for Definitive Notes if: (1) at any time the Depositary notifies the Company that it is unwilling or unable to continue to act as Depositary for the Global Notes or if at any time the Depositary shall no longer be eligible to act as such because it ceases to be a clearing agency registered under the Exchange Act, and, in either case, the Company shall not have appointed a successor Depositary within 120 days after the Company receives such notice or becomes aware of such ineligibility, (2) the Company, at its option, determines that the Global Notes shall be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee or (3) upon written request of a Holder or the Trustee if a Default or Event of Default shall have occurred and be continuing. Upon the occurrence of any of the events set forth in clauses (1), (2) or (3) above, the Company shall execute, and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver, Definitive Notes, in authorized denominations, in an aggregate principal amount equal to the principal amount of the Global Notes in exchange for such Global Notes. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Except as provided above, every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), and beneficial interests in a Global Note may not be transferred and exchanged other than as provided in Section 2.06(b), (c) or (f) hereof.

In no event shall the Regulation S Temporary Global Note be exchanged by the Company for Definitive Notes prior to (x) the expiration of the Distribution Compliance Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act.

(b) ***Transfer and Exchange of Beneficial Interests in the Global Notes***. The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth herein to the

extent required by the Securities Act. Transfers of beneficial interests in Global Notes also shall require compliance with either clause (i) or (ii) below, as applicable, as well as one or more of the other following clauses, as applicable:

(i) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend and any Applicable Procedures; *provided*, *however*, that prior to the expiration of the Distribution Compliance Period, transfers of beneficial interests in the Regulation S Temporary Global Note may not be made to or for the account or benefit of a "U.S. Person" (as defined in Rule 902(k) of Regulation S) (other than a "distributor" (as defined in Rule 902(d) of the Regulation S)). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. Except as may be required by any Applicable Procedures, no written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(i).

(ii) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(i) above, the transferor of such beneficial interest must deliver to the Registrar either: (A) both (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or (B) both (1) if permitted under Section 2.06(a), a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (B)(1) above; *provided* that in no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Note prior to (x) the expiration of the Distribution Compliance Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act. Upon consummation of an Exchange Offer by the Company in accordance with Section 2.06(f) hereof, the requirements of this Section 2.06(b)(ii) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(i) hereof.

(iii) Transfer of Beneficial Interests in a Restricted Global Note to Another Restricted Global Note. A holder of a beneficial interest in a Restricted Global Note may transfer such beneficial interest to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit

B hereto, including the certifications in item (1) thereof or, if permitted by the Applicable Procedures, item (3) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in a Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(iv) Transfer or Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the exchange or transfer complies with the requirements of Section 2.06(b)(ii) above and:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder of the beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications required in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer complies with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to clause (B) or (D) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to clause (B) or (D) above.

(v) Transfer or Exchange of Beneficial Interests in an Unrestricted Global Note for Beneficial Interests in a Restricted Global Note Prohibited. Beneficial interests in an Unrestricted Global Note may not be exchanged for, or transferred to Persons who take delivery thereof in the form of, beneficial interests in a Restricted Global Note.

(c) ***Transfer and Exchange of Beneficial Interests in Global Notes for Definitive Notes***.

(i) Transfer or Exchange of Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes. Subject to Section 2.06(a) hereof, if any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a "Non-U.S. Person" in an offshore transaction (as defined in Section 902(k) of Regulation S) in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof, or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall reduce or cause to be reduced in a corresponding amount pursuant to Section 2.06(i) hereof, the aggregate principal amount of the applicable Restricted Global Note, and the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver a Restricted Definitive Note in the appropriate principal amount to the Person designated by the holder of such beneficial interest in the instructions delivered to the Registrar by the Depositary and the applicable Participant or Indirect Participant on behalf of such holder. Any Restricted Definitive Note issued in exchange for beneficial interests in a Restricted Global Note pursuant to this Section 2.06(c)(i) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall designate in such instructions. The Trustee shall deliver such Restricted Definitive Notes to the Persons in whose names such Notes are so registered. Any Restricted Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note

pursuant to this Section 2.06(c)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

Notwithstanding Sections 2.06(c)(i)(A) and (C) hereof, a beneficial interest in the Regulation S Temporary Global Note may not be exchanged for a Definitive Note or transferred to a Person who takes delivery thereof in the form of a Definitive Note prior to (x) the expiration of the Distribution Compliance Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act, except in the case of a transfer pursuant to an exemption from the registration requirements of the Securities Act other than Rule 903 or Rule 904.

(ii) Transfer or Exchange of Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes. Subject to Section 2.06(a) hereof, a holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer complies with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of any of the conditions of any of the clauses of this Section 2.06(c)(ii), the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver an Unrestricted Definitive Note in the appropriate principal amount to the Person designated by the holder of such beneficial interest in instructions delivered to the Registrar by the Depositary and the applicable Participant or Indirect Participant on behalf of such

holder, and the Trustee shall reduce or cause to be reduced in a corresponding amount pursuant to Section 2.06(i), the aggregate principal amount of the applicable Restricted Global Note.

(iii) Transfer or Exchange of Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes. Subject to Section 2.06(a) hereof, if any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note, then, upon satisfaction of the applicable conditions set forth in Section 2.06(b)(ii) hereof, the Trustee shall reduce or cause to be reduced in a corresponding amount pursuant to Section 2.06(i) hereof, the aggregate principal amount of the applicable Unrestricted Global Note, and the Company shall execute, and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver an Unrestricted Definitive Note in the appropriate principal amount to the Person designated by the holder of such beneficial interest in instructions delivered to the Registrar by the Depositary and the applicable Participant or Indirect Participant on behalf of such holder. Any Unrestricted Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall designate in such instructions. The Trustee shall deliver such Unrestricted Definitive Notes to the Persons in whose names such Notes are so registered. Any Unrestricted Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall not bear the Private Placement Legend.

(d) ***Transfer and Exchange of Definitive Notes for Beneficial Interests in the Global Notes***.

(i) Transfer or Exchange of Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes. If any holder of a Restricted Definitive Note proposes to exchange such Restricted Definitive Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such Restricted Definitive Note proposes to exchange such Restricted Definitive Note for a beneficial interest in a Restricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a “non-U.S. Person” in an offshore transaction (as defined in Rule 902(k) of Regulation S) in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof, or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cancel the Restricted Definitive Note, increase or cause to be increased in a corresponding amount pursuant to Section 2.06(i) hereof, the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, a 144A Global Note, in the case of clause (C) above, a Regulation S Global Note.

(ii) Transfer or Exchange of Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A holder of a Restricted Definitive Note may exchange such Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement;

(B) such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such Restricted Definitive Note proposes to exchange such Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(2) if the holder of such Restricted Definitive Note proposes to transfer such Restricted Definitive Note to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer shall be effected in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend shall no longer be required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the clauses in this Section 2.06(d)(ii), the Trustee shall cancel such Restricted Definitive Note and increase or cause to be increased in a corre-

sponding amount pursuant to Section 2.06(i) hereof, the aggregate principal amount of the Unrestricted Global Note.

(iii) Transfer or Exchange of Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A holder of an Unrestricted Definitive Note may exchange such Unrestricted Definitive Note for a beneficial interest in an Unrestricted Global Note or transfer such Unrestricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased in a corresponding amount pursuant to Section 2.06(i) hereof the aggregate principal amount of one of the Unrestricted Global Notes.

(iv) Transfer or Exchange of Unrestricted Definitive Notes to Beneficial Interests in Restricted Global Notes Prohibited. An Unrestricted Definitive Note may not be exchanged for, or transferred to Persons who take delivery thereof in the form of, beneficial interests in a Restricted Global Note.

(v) Issuance of Unrestricted Global Notes. If any such exchange or transfer of a Definitive Note for a beneficial interest in an Unrestricted Global Note is effected pursuant to clause (ii)(B), (ii)(D) or (iii) at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) ***Transfer and Exchange of Definitive Notes for Definitive Notes***. Upon request by a holder of Definitive Notes and such holder's compliance with the provisions of this Section 2.06(e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such holder. In addition, the requesting holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(i) Transfer of Restricted Definitive Notes to Restricted Definitive Notes. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(ii) Transfer or Exchange of Restricted Definitive Notes to Unrestricted Definitive Notes. Any Restricted Definitive Note may be exchanged by the holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to an Exchange Offer in accordance with a Registration Rights Agreement and the holder, in the case of an exchange, or the transferee, in the case of a transfer, makes any and all certifications in the applicable Letter of Transmittal (or is deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by a Registration Rights Agreement;

(B) any such transfer is effected pursuant to a Shelf Registration Statement in accordance with a Registration Rights Agreement;

(C) any such transfer is effected by a broker-dealer pursuant to an Exchange Offer Registration Statement in accordance with a Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such Restricted Definitive Note proposes to exchange such Restricted Definitive Note for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(2) if the holder of such Restricted Definitive Notes proposes to transfer such Restricted Definitive Note to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this clause (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer complies with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the clauses of this Section 2.06(e)(ii), the Trustee shall cancel the prior Restricted Definitive Note and the Company shall execute, and upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver an Unrestricted Definitive Note in the appropriate aggregate principal amount to the Person designated by the holder of such prior Restricted Definitive Note in instructions delivered to the Registrar by such holder.

(iii) Transfer of Unrestricted Definitive Notes to Unrestricted Definitive Notes. A holder of Unrestricted Definitive Notes may transfer such Unrestricted Definitive Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the holder thereof.

(f) ***Exchange Offer***. Upon the occurrence of an Exchange Offer in accordance with a Registration Rights Agreement, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate (A) one or more Unrestricted Global

Notes in an aggregate principal amount equal to the aggregate principal amount of the beneficial interests in the applicable Restricted Global Notes (1) tendered for acceptance by Persons that make any and all certifications in the applicable Letters of Transmittal (or are deemed to have made such certifications if delivery is made through the Applicable Procedures) as may be required by such Registration Rights Agreement and (2) accepted for exchange in such Exchange Offer and (B) Unrestricted Definitive Notes in an aggregate principal amount equal to the aggregate principal amount of the Restricted Definitive Notes tendered for acceptance by Persons who made the foregoing certifications and accepted for exchange in the Exchange Offer. Concurrently with the issuance of such Notes, the Trustee shall reduce or cause to be reduced in a corresponding amount the aggregate principal amount of the applicable Restricted Global Notes, and the Company shall execute and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver to the Persons designated by the holders of Restricted Definitive Notes so accepted Unrestricted Definitive Notes in the appropriate aggregate principal amount.

(g) ***Transfers of Notes Held by Affiliates***. Any certificate (i) evidencing a Note that has been transferred to an Affiliate of a Company, as evidenced by a notation on the assignment form for such transfer or in the representation letter delivered in respect thereof or (ii) evidencing a Note that has been acquired from an affiliate (other than by an affiliate) in a transaction or a chain of transactions not involving any public offering, as evidenced by a notation on the certificate of transfer or certificate of exchange for such transfer or in the representation letter delivered in respect thereof, shall, until one year after the last date on which either the Company or any affiliate of the Company was an owner of such Note, in each case, be in the form of a Restricted Definitive Note. The Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 2.01(d) or this Section 2.06. The Company shall have the right to require the Registrar to deliver to the Company, at the Company's expense, copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable written notice to the Registrar.

(h) ***Legends***. The following legends shall appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(i) Private Placement Legend.

(A) Except as permitted by clause (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE SECURITY (OR ITS PREDECESSOR) EVIDENCED HEREBY WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 5 OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE SECURITY EVIDENCED HEREBY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (1)(a) INSIDE THE UNITED STATES TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL

BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (b) OUTSIDE THE UNITED STATES TO A FOREIGN PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (c) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF APPLICABLE) OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY IF THE COMPANY SO REQUESTS), (2) TO THE COMPANY OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN CLAUSE (A) ABOVE. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALE OF THE SECURITY EVIDENCED HEREBY."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to clauses (b)(iv), (c)(ii), (c)(iii), (d)(ii), (d)(iii), (e)(ii), (e)(iii) or (f) to this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(ii) Global Note Legend. Each Global Note shall bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR

PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(iii) Regulation S Temporary Global Note Legend. Each Regulation S Temporary Global Note shall bear a legend in substantially the following form:

"THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON."

(i) ***Cancellation and/or Adjustment of Global Notes***. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or cancelled in whole and not in part, each such Global Note shall be returned to or retained and cancelled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the aggregate principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, the aggregate principal amount of such other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(j) ***General Provisions Relating to Transfers and Exchanges***.

(i) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 4.12, 4.18 and 9.05 hereof).

(ii) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Company, evidencing the same debt as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

(iii) Neither the Registrar nor the Company shall be required (A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the date of selection, (B) to register the transfer of or to exchange

any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part or (C) to register the transfer of or to exchange a Note between a record date (including a Regular Record Date) and the next succeeding Interest Payment Date.

(iv) Prior to due presentment for the registration of transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of, premium, if any, and interest on such Note and for all other purposes, in each case regardless of any notice to the contrary.

(v) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(vi) The Trustee is hereby authorized and directed to enter into a letter of representation with the Depositary in the form provided by the Company and to act in accordance with such letter.

Section 2.07. **Replacement Notes**.

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate a replacement Note. If required by the Trustee or the Company, the Holder of such Note shall provide indemnity that is sufficient, in the judgment of the Trustee or the Company, to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer in connection with such replacement. If required by the Company, such Holder shall reimburse the Company for its reasonable expenses in connection with such replacement.

Every replacement Note issued in accordance with this Section 2.07 shall be the valid obligation of the Company, evidencing the same debt as the destroyed, lost or stolen Note, and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08. **Outstanding Notes**.

(a) The Notes outstanding at any time shall be the entire principal amount of Notes represented by all of the Global Notes and Definitive Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation, those subject to reductions in beneficial interests effected by the Trustee in accordance with Section 2.06 hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note shall not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; *provided*, *however*, that Notes held by the Company or a Subsidiary of the Company shall be deemed not to be outstanding for purposes of Section 3.07(b) hereof.

(b) If a Note is replaced pursuant to Section 2.07 hereof, it shall cease to be outstanding unless the Trustee receives proof satisfactory to it that the replaced note is held by a bona fide purchaser.

(c) If the principal amount of any Note is considered paid under Section 4.01 hereof, it shall cease to be outstanding and interest on it shall cease to accrue.

(d) If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date, a Purchase Date (as defined in Section 3.09) or a maturity date, funds sufficient to pay Notes payable on that date, then on and after that date such Notes shall be deemed to be no longer outstanding and shall cease to accrue interest.

Section 2.09. **Treasury Notes**.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company, or by any Affiliate of the Company, shall be considered as though not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned shall be so disregarded.

Section 2.10. **Temporary Notes**.

Until certificates representing Notes are ready for delivery, the Company may prepare and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of Definitive Notes but may have variations that the Company considers appropriate for temporary Notes and as shall be reasonably acceptable to the Trustee. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate Global Notes or Definitive Notes in exchange for temporary Notes, as applicable. After preparation of Definitive Notes, the temporary Note will be exchangeable for Definitive Notes upon surrender of the temporary Notes.

Holders of temporary Notes shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.11. **Cancellation**.

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. Upon sole direction of the Company, the Trustee and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall destroy cancelled Notes (subject to the record retention requirements of the Exchange Act or other applicable laws) unless by written order, signed by an Officer of the Company, the Company directs them to be returned to it. Certification of the destruction of all cancelled Notes shall be delivered to the Company from time to time upon request. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12. **Payment of Interest; Defaulted Interest**.

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Holders thereof. If the Company pays the defaulted interest prior to 30 days of the default in payment of interest, payment shall be paid to the record Holder of the Notes as of the original record date. If such default in payment of interest continues for 30 days, the Company will, in the case of Definitive Notes, establish a subsequent special record date, which date shall be the fifteenth day next preceding the date fixed by the Company for the payment of defaulted interest. If no special record date is required to be established pursuant to the immediately preceding sentence, (i) in the case of Definitive Notes, Holders of

record on the original record date shall be entitled to such payment of defaulted interest and any such interest payable on the defaulted interest and (ii) in the case of Global Notes, Holders on the Defaulted Interest Payment Date (as defined in the next sentence) shall be entitled to such defaulted interest and any such interest payable on the defaulted interest. The Company shall notify the Trustee and Paying Agent in writing of the amount of the defaulted interest proposed to be paid on the Notes and the date of the proposed payment (a "***Defaulted Interest Payment Date***"), and at the same time the Company shall deposit with the Trustee or Paying Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such defaulted interest or shall make arrangements satisfactory to the Trustee or Paying Agent for such deposit prior to the date of the proposed payment.

Section 2.13. **CUSIP or ISIN Numbers**.

The Company in issuing the Notes may use "CUSIP" and/or "ISIN" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" and/or "ISIN" numbers in notices of redemption or Offers to Purchase as a convenience to Holders; *provided*, *however*, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption or notice of an Offer to Purchase and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or Offer to Purchase shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee of any change in the "CUSIP" and/or "ISIN" numbers.

Section 2.14. **Special Interest**

If Special Interest is payable by the Company pursuant to a Registration Rights Agreement and paragraph 1 of the Notes, the Company shall deliver to the Trustee a certificate to that effect stating (i) the amount of such Special Interest that is payable and (ii) the date on which such interest is payable pursuant to Section 4.01 hereof. Unless and until a Responsible Officer of the Trustee receives such a certificate or instruction or direction from the Holders in accordance with the terms of this Indenture, the Trustee may assume without inquiry that no Special Interest is payable. The foregoing shall not prejudice the rights of the Holders with respect to their entitlement to Special Interest as otherwise set forth in this Indenture or the Notes and pursuing any action against the Company directly or otherwise directing the Trustee to take any such action in accordance with the terms of this Indenture and the Notes. If the Company has paid Special Interest directly to the Persons entitled to it, the Company shall deliver to the Trustee an Officers' Certificate setting forth the details of such payment.

Section 2.15. **Issuance of Additional Notes**

The Company shall be entitled, subject to its compliance with Section 4.09 hereof, to issue Additional Notes under this Indenture which shall have identical terms as the Initial Notes issued on the date hereof, other than with respect to the date of issuance, issue price and rights under a related Registration Rights Agreement, if any. The Initial Notes issued on the date hereof, any Additional Notes and all Exchange Notes issued in exchange therefor shall be treated as a single class for all purposes under this Indenture, including directions, waivers, amendments, consents, redemptions and Offers to Purchase.

With respect to any Additional Notes, the Company shall set forth in a Board Resolution and an Officers' Certificate, a copy of each of which shall be delivered to the Trustee, the following information:

(a) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture;

(b) the issue price, the issue date and the CUSIP and/or ISIN number of such Additional Notes; *provided*, *however*, that no Additional Notes may be issued at a price that would cause such Additional Notes to have "original issue discount" within the meaning of Section 1273 of the Code, other than a *de minimis* original issue discount within the meaning of Section 1273 of the Code; and

(c) whether such Additional Notes shall be subject to the restrictions on transfer set forth in Section 2.06 hereof relating to Restricted Global Notes and Restricted Definitive Notes.

Section 2.16. **Record Date**.

The record date for purposes of determining the identity of Holders of Notes entitled to vote or consent to any action by vote or consent or permitted under this Indenture shall be determined as provided for in TIA Section 316(c).

ARTICLE 3.

REDEMPTION AND PREPAYMENT

Section 3.01. **Notices to Trustee**.

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it shall furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date (or such shorter period as allowed by the Trustee), an Officers' Certificate setting forth (a) the applicable section of this Indenture pursuant to which the redemption shall occur, (b) the redemption date, (c) the principal amount of Notes to be redeemed and (d) the redemption price.

Section 3.02. **Selection of Notes to Be Redeemed**.

If less than all of the Notes are to be redeemed at any time, the Trustee shall select the Notes to be redeemed among the Holders of the Notes in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed or, if the Notes are not so listed, on a *pro rata* basis, by lot or in accordance with any other method the Trustee deems fair and appropriate. In the event of partial redemption by lot, the particular Notes to be redeemed shall be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Notes not previously called for redemption.

The Trustee shall promptly notify the Company in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of Notes selected shall be in amounts of $1,000 or integral multiples thereof; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder, even if not an integral multiple of $1,000, shall be redeemed. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption.

Section 3.03. **Notice of Redemption**.

At least 30 days but not more than 60 days prior to a redemption date, the Company shall mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at such Holder's registered address appearing in the Security Register.

The notice shall identify the Notes to be redeemed and shall state:

(a) the redemption date;

(b) the appropriate method for calculation of the redemption price, but need not include the redemption price itself; the actual redemption price shall be set forth in an Officers' Certificate delivered to the Trustee no later than two (2) Business Days prior to the redemption date unless clause (2) of the definition of "Comparable Treasury Price" is applicable, in which case such Officers' Certificate should be delivered on the redemption date;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, if applicable, a new Note or Notes in principal amount equal to the unredeemed portion shall be issued upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(g) the applicable section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(h) that no representation is made as to the correctness of the CUSIP and/or ISIN numbers, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee shall give the notice of redemption in the Company's name and at its expense; *provided*, *however*, that the Company shall have delivered to the Trustee, at least 45 days (or such shorter period allowed by the Trustee), prior to the redemption date, an Officers' Certificate requesting that the Trustee give such notice (in the name and at the expense of the Company) and setting forth the information to be stated in such notice as provided in this Section 3.03.

Section 3.04. **Effect of Notice of Redemption**.

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption shall become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05. **Deposit of Redemption Price**.

On or prior to 11:00 a.m. Eastern time on the Business Day prior to any redemption date, the Company shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and, if applicable, accrued and unpaid interest on all Notes to be redeemed on that date. The Trustee or the Paying Agent shall promptly, and in any event within two (2) Business Days after the redemption date, return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption price of, and accrued and unpaid interest, if any, on, all Notes to be redeemed.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption date, interest shall cease to accrue on the Notes or the portions of Notes called for purchase or redemption in accordance with Section 2.08(d) hereof, whether or not such Notes are presented for payment. If a Note is redeemed on or after a Regular Record Date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest, if any, shall be paid to the Person in whose name such Note was registered at the close of business on such Regular Record Date. If any Note called for redemption shall not be so paid upon surrender for redemption because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06. **Notes Redeemed in Part**.

Upon surrender of a Note that is redeemed in part, the Company shall issue and, upon receipt of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

Section 3.07. **Optional Redemption**.

(a) Except as set forth in clauses (b) and (c) of this Section 3.07, the Notes shall not be redeemable at the option of the Company prior to April 1, 2014. Beginning on April 1, 2014, the Company may redeem all or a portion of the Notes, at once or over time, after giving the notice required pursuant to Section 3.03 hereof, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest on the Notes redeemed, to but excluding the applicable redemption date (subject to the right of Holders of record on the relevant Regular Record Date to receive interest due on the relevant Interest Payment Date), if redeemed during the twelve-month period commencing on April 1 of the years indicated below:

Year	Percentage
2014	104.125%
2015	102.063%
2016 and thereafter	100.000%

(b) At any time and from time to time prior to April 1, 2013, the Company may redeem up to 35% of the original aggregate principal amount of the Notes (including the original aggregate principal amount of Additional Notes) issued under this Indenture at a redemption price (expressed as a percentage of principal amount) equal to 108.250% of the principal amount thereof, plus accrued and unpaid interest to but excluding the redemption date (subject to the right of Holders of record on the relevant Regular Record Date to receive interest due on the relevant Interest Payment Date), with the proceeds of one or more Equity Offerings; *provided*, *however*, that (i) at least 65% of the original aggregate principal amount of the Notes initially issued under this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after giving effect to such redemption and (ii) any such redemption shall be made within 90 days of such Equity Offering upon not less than 30 nor more than 60 days prior notice.

(c) At any time prior to April 1, 2014, the Company may redeem all or any portion of the Notes, at once or over time, after giving the required notice under this Indenture at a redemption price equal to the greater of:

(i) 100% of the principal amount of the Notes to be redeemed, and

(ii) the sum of the present values of (1) the redemption price of the Notes at April 1, 2014 (as set forth in the preceding paragraph) and (2) the remaining scheduled payments of interest from the redemption date through April 1, 2014, but excluding accrued and unpaid interest through the redemption date, discounted to the redemption date (assuming a 360 day year consisting of twelve 30 day months), at the Treasury Rate plus 50 basis points, plus, in either case, accrued and unpaid interest, including Special Interest, if any, to but excluding the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

(d) Any prepayment pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08. **Mandatory Redemption**.

Except as set forth in Sections 4.12 and 4.18 hereof, the Company shall not be required to make mandatory redemption or sinking fund payments with respect to, or offer to purchase, the Notes.

Section 3.09. **Offer to Purchase.**

(a) In the event that, pursuant to Section 4.12 or 4.18 hereof, the Company shall be required to commence a Prepayment Offer or a Change of Control Offer (each, an "***Offer to Purchase***"), it shall follow the procedures specified below.

(b) The Company shall cause a notice of the Offer to Purchase to be sent at least once to the *Dow Jones News Service* or similar business news service in the United States.

(c) The Company shall commence the Offer to Purchase by sending, by first-class mail, with a copy to the Trustee, to each Holder at such Holder's address appearing in the security register of the Company, a notice the terms of which shall govern the Offer to Purchase stating:

(i) that the Offer to Purchase is being made pursuant to this Section 3.09 and Section 4.12 or Section 4.18, as the case may be, and, in the case of a Change of Control Offer, that a Change of Control has occurred, the circumstances and relevant facts regarding the Change of Control and that a Change of Control Offer is being made pursuant to Section 4.18;

(ii) the principal amount of Notes required to be purchased pursuant to Section 4.12 or Section 4.18, as the case may be (the "***Offer Amount***"), the purchase price set forth in Section 4.12 or Section 4.18, as applicable (the "***Purchase Price***"), the Offer Period and the Purchase Date (each as defined below);

(iii) except as provided in clause (ix), that all Notes timely tendered and not withdrawn shall be accepted for payment;

(iv) that any Note not tendered or accepted for payment shall continue to accrue interest;

(v) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest after the Purchase Date;

(vi) that Holders electing to have a Note purchased pursuant to an Offer to Purchase may elect to have Notes purchased in integral multiples of $1,000 only;

(vii) that Holders electing to have a Note purchased pursuant to any Offer to Purchase shall be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, or transfer by book-entry transfer, to the Company, the Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice before the close of business on the third Business Day before the Purchase Date;

(viii) that Holders shall be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note (or portions thereof) the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(ix) that, in the case of a Prepayment Offer, if the aggregate principal amount of Notes surrendered by Holders exceeds the Offer Amount, the Company shall select the Notes to be purchased on a *pro rata* basis (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $1,000 or integral multiples thereof shall be purchased);

(x) that Holders whose Notes were purchased in part shall be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer); and

(xi) any other procedures the Holders must follow in order to tender their Notes (or portions thereof) for payment and the procedures that Holders must follow in order to withdraw an election to tender Notes (or portions thereof) for payment.

(d) The Offer to Purchase shall remain open for a period of at least 30 days but no more than 60 days following its commencement, except to the extent that a longer period is required by applicable law (the "***Offer Period***"). No later than five (5) Business Days (and in any event no later than the 60th day following the Change of Control) after the termination of the Offer Period (the "***Purchase Date***"), the Company shall purchase the Offer Amount or, if less than the Offer Amount has been tendered, all Notes tendered in response to the Offer to Purchase. Payment for any Notes so purchased shall be made in the same manner as interest payments are made. The Company shall publicly announce the results of the Offer to Purchase on the Purchase Date.

(e) On or prior to the Purchase Date, the Company shall, to the extent lawful:

(i) accept for payment (on a *pro rata* basis to the extent necessary in connection with a Prepayment Offer), the Offer Amount of Notes or portions of Notes properly tendered and not withdrawn pursuant to the Offer to Purchase, or if less than the Offer Amount has been tendered, all Notes tendered;

(ii) deposit with the Paying Agent funds in an amount equal to the Purchase Price in respect of all Notes or portions of Notes properly tendered; and

(iii) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of

Notes being purchased by the Company and that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09.

(f) The Paying Agent (or the Company, if acting as the Paying Agent) shall promptly (but in the case of a Change of Control, not later than 60 days from the date of the Change of Control) deliver to each tendering Holder the Purchase Price. In the event that any portion of the Notes surrendered is not purchased by the Company, the Company shall promptly execute and issue a new Note in a principal amount equal to such unpurchased portion of the Note surrendered, and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate and deliver (or cause to be transferred by book-entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered; *provided*, *however*, that each such new Note shall be in a principal amount of $1,000 or an integral multiple thereof. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof.

(g) If the Purchase Date is on or after a Regular Record Date and on or before the related Interest Payment Date, any accrued and unpaid interest shall be paid to the Person in whose name a Note is registered at the close of business on such Regular Record Date, and no additional interest shall be payable to Holders who tender Notes pursuant to the Offer to Purchase.

(h) The Company shall comply, to the extent applicable, with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the Offer to Purchase. To the extent that the provisions of any securities laws or regulations conflict with Sections 4.12 or 4.18, as applicable, this Section 3.09 or other provisions of this Indenture, the Company shall comply with applicable securities laws and regulations and shall not be deemed to have breached its obligations under Sections 4.12 or 4.18, as applicable, this Section 3.09 or such other provision by virtue of such compliance.

(i) Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made in accordance with the provisions of Section 3.01 through 3.06 hereof.

ARTICLE 4.

COVENANTS

Section 4.01. **Payment of Notes**.

The Company shall pay or cause to be paid the principal of, premium, if any, and interest on, the Notes on the dates and in the manner provided in this Indenture and the Notes. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 11:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due. Such Paying Agent shall return to the Company promptly, and in any event, no later than five (5) Business Days following the date of payment, any money (including accrued interest) that exceeds such amount of principal, premium, if any, and interest paid on the Notes. The Company shall pay Special Interest, if any, in the same manner, on the dates and in the amounts set forth in a Registration Rights Agreement, the Notes and the Indenture. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace periods), from time to time on demand at the same rate to the extent lawful.

Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 4.02. **Maintenance of Office or Agency**.

(a) The Company shall maintain in the Borough of Manhattan, The City of New York, an office or agency (which may be an office or drop facility of the Trustee or an affiliate of the Trustee or Registrar) where Notes may be presented or surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

(b) The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

(c) The Company hereby designates the Corporate Trust Office of the Trustee, as one such office, drop facility or agency of the Company in accordance with Section 2.03 hereof.

Section 4.03. **Reports**.

Whether or not required by the Commission, so long as any Notes are outstanding, the Parent will furnish to the Holders of Notes and the Trustee, within the time periods specified in the Commission's rules and regulations for a company subject to reporting under Section 13(a) or 15(d) of the Exchange Act:

(1) all quarterly and annual financial information of the Parent that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Parent were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report on the annual financial statements by the Parent's certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Parent were required to file such reports.

In addition, whether or not required by the Commission, the Parent will file a copy of all of the information and reports referred to in clauses (1) and (2) above with the Commission for public availability within the time periods specified in the Commission's rules and regulations for a company subject to reporting under Section 13(a) or 15(d) of the Exchange Act (unless the Commission will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. Notwithstanding the foregoing, to the extent the Parent files the information and reports referred to in clauses (1) and (2) above with the Commission and such information is publicly available on the Internet, the Parent shall be deemed to be in compliance with its obligations to furnish such infor-

mation to the Holders of the Notes and to make such information available to securities analysts and prospective investors.

Section 4.04. **Compliance Certificate**.

(a) The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Company, the Guarantors and their respective Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company, the Guarantors and their respective Subsidiaries have kept, observed, performed and fulfilled their obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company, the Guarantors and their respective Subsidiaries have kept, observed, performed and fulfilled each and every covenant contained in this Indenture and are not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of, premium, if any, or interest on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

(b) The Company shall otherwise comply with TIA §314(a)(2).

(c) The Company shall deliver to the Trustee, within 30 days after the occurrence thereof, written notice in the form of an Officers' Certificate of any event that with the giving of notice and/or the lapse of time would become an Event of Default, its status and what action the Company is taking or proposes to take with respect thereto.

Section 4.05. **Taxes**.

The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments and governmental levies, except such as are being contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06. **Stay, Extension and Usury Laws**.

The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07. **Corporate Existence**.

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect (a) its corporate existence, and the corporate, partnership or other existence of each Restricted Subsidiary, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Restricted Subsidiary and

(b) the rights (charter and statutory), licenses and franchises of the Company and its Restricted Subsidiaries; *provided*, *however*, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any Restricted Subsidiary, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Restricted Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes, or that such preservation is not necessary in connection with any transaction not prohibited by this Indenture.

Section 4.08. **Payments for Consent**.

The Parent and the Company shall not, and shall not permit any of their respective Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 4.09. **Incurrence of Additional Debt**.

(a) The Parent and the Company shall not, and shall not permit any of their respective Restricted Subsidiaries to, Incur, directly or indirectly, any Debt, including any Acquired Debt (other than Permitted Debt) unless, after giving effect to the application of the proceeds thereof, no Default or Event of Default would occur as a consequence of such Incurrence or be continuing following such Incurrence and such Debt is Debt of the Company or a Guarantor and, after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, the Consolidated Interest Coverage Ratio would be at least 2.00 to 1.00.

(b) The term "***Permitted Debt***" is defined to include the following:

(i) (A) Debt of the Company evidenced by the Notes and the Exchange Notes issued in exchange for such Notes and in exchange for any Additional Notes and (B) Debt of the Guarantors evidenced by the Guarantees relating to the Notes and the Exchange Notes issued in exchange for such Notes and in exchange for any Additional Notes;

(ii) Debt of the Parent or a Restricted Subsidiary of the Parent under Credit Facilities; *provided* that the aggregate principal amount of all such Debt under Credit Facilities at any one time outstanding shall not exceed $380.0 million; *provided*, *further*, that such amount shall be permanently reduced by (x) the amount of Net Available Cash used to Repay Debt under Credit Facilities (to the extent, in the case of any revolving credit Debt, such Repayment effects a corresponding commitment reduction thereunder) and not subsequently reinvested in Additional Assets or used to purchase Notes or Repay other Debt, pursuant to Section 4.12 and (y) any amounts outstanding under Permitted Receivables Financings;

(iii) Debt of the Parent or a Restricted Subsidiary in respect of Capital Lease Obligations and Purchase Money Debt; *provided* that:

(A) the aggregate principal amount of such Debt does not exceed the Fair Market Value (on the date of the Incurrence thereof) of the Property acquired, constructed or leased, and

(B) the aggregate principal amount of all Debt Incurred and then outstanding pursuant to this clause (iii) (together with all Permitted Refinancing Debt Incurred and then outstanding in respect of Debt previously Incurred pursuant to this clause (iii)) does not exceed $20.0 million;

(iv) Debt of the Parent owing to and held by any Restricted Subsidiary and Debt of a Restricted Subsidiary owing to and held by the Parent or any Restricted Subsidiary; *provided*, *however*, that any subsequent issue or transfer of Capital Stock or other event that results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of any such Debt (except to the Parent or a Restricted Subsidiary) shall be deemed, in each case, to constitute the Incurrence of such Debt by the issuer thereof; *provided*, *further*, *however*, that if the Company or any Guarantor is the obligor on any such Debt and the lender is not an obligor on the Notes, such Debt must be expressly subordinated in right of payment to the prior payment in full of all obligations with respect to the Notes and the Guarantees, as the case may be;

(v) Acquired Debt of a Restricted Subsidiary outstanding on the date on which such Restricted Subsidiary is acquired by the Parent or a Restricted Subsidiary or otherwise becomes a Restricted Subsidiary (other than Acquired Debt Incurred as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of transactions pursuant to which such Restricted Subsidiary became a Subsidiary of the Parent or another Restricted Subsidiary or was otherwise acquired by the Parent or another Restricted Subsidiary); *provided* that at the time such Restricted Subsidiary is acquired by the Parent or another Restricted Subsidiary or otherwise becomes a Restricted Subsidiary and after giving effect to the Incurrence of such Acquired Debt, the Company would have been able to Incur $1.00 of additional Debt pursuant to Section 4.09(a);

(vi) Debt of the Parent or any Restricted Subsidiary under Interest Rate Agreements entered into for the purpose of fixing, hedging or swapping interest rate risk in the ordinary course of the financial management of the Parent or such Restricted Subsidiary and not for speculative purposes; *provided* that the obligations under such agreements are directly related to payment obligations on Debt otherwise permitted by the terms of this Section 4.09;

(vii) Debt of the Parent or any Restricted Subsidiary under Currency Exchange Protection Agreements entered into for the purpose of fixing, hedging or swapping currency exchange rate risks directly related to transactions entered into by the Parent or such Restricted Subsidiary in the ordinary course of business and not for speculative purposes;

(viii) Debt of the Parent or any Restricted Subsidiary under Commodity Price Protection Agreements entered into in the ordinary course of the financial management of the Parent or such Restricted Subsidiary and not for speculative purposes;

(ix) Debt in connection with one or more standby letters of credit or performance or surety bonds issued by the Parent or a Restricted Subsidiary in the ordinary course of business or pursuant to self-insurance obligations and not in connection with the borrowing of money or the obtaining of advances or credit;

(x) the guarantee by the Parent or any Restricted Subsidiary of Debt of the Parent or any Restricted Subsidiary that was permitted to be incurred by another provision of this Indenture;

(xi) Debt represented by agreements of the Parent or a Restricted Subsidiary providing for indemnification, adjustment of purchase price, earn-out or similar obligations, or from guarantees or letters of credit, surety bonds, escrow accounts or performance bonds securing any obligation of the Parent or a Restricted Subsidiary pursuant to such agreements, in each case, incurred in connection with the acquisition or disposition of any business or assets otherwise permitted under this Indenture; *provided* that the maximum liability in respect of all such Debt shall at no time exceed the gross proceeds actually received by the Parent and its Restricted Subsidiaries in connection with such acquisition or disposition;

(xii) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds in the ordinary course of business; *provided*, *however*, that such Debt is extinguished within five Business Days of incurrence;

(xiii) the Incurrence by a Securitization Subsidiary of Non-Recourse Debt in connection with or pursuant to a Permitted Receivables Financing;

(xiv) Debt of a Foreign Restricted Subsidiary that is Incurred solely for working capital purposes; *provided* that the aggregate principal amount of all Debt Incurred and outstanding under this clause (b)(xiv) (together with all Permitted Refinancing Debt Incurred and then outstanding under this clause (b)(xiv)) does not exceed $10.0 million;

(xv) Debt of the Parent or a Restricted Subsidiary outstanding on the Issue Date not otherwise described in clauses (i) through (xiv) above, including, until May 15, 2010, Debt evidenced by the Existing Notes;

(xvi) Debt of the Company or a Guarantor not otherwise permitted under the foregoing clauses (b)(i) through (b)(xv) in an aggregate principal amount (or accreted value, as applicable) outstanding at any one time not to exceed $20.0 million; and

(xvii) Permitted Refinancing Debt Incurred in respect of Debt Incurred pursuant to clause (a) of this Section 4.09 and clauses (b)(i), (iii), (v), (xiv) and (xv) above.

(c) Notwithstanding anything to the contrary contained in this Section 4.09,

(i) the Parent and the Company shall not, and shall not permit any Guarantor to, Incur any Debt pursuant to paragraph (b)(xvii) of this Section 4.09 if the proceeds thereof are used, directly or indirectly, to Refinance any Subordinated Debt unless such Debt shall be subordinated to the Notes or the applicable Guarantee, as the case may be, to at least the same extent as such Subordinated Debt;

(ii) the Parent shall not permit any Restricted Subsidiary that is not the Company or a Guarantor to Incur any Debt pursuant to paragraph (b)(xvii) of this Section 4.09 if the proceeds thereof are used, directly or indirectly, to Refinance any Subordinated Debt of the Company or any Guarantor;

(iii) accrual of interest, accretion or amortization of original issue discount and the payment of interest or dividends in the form of additional Debt, will be deemed not to be an Incurrence of Debt for purposes of this Section 4.09; and

(iv) the maximum amount of Debt that the Parent or any Restricted Subsidiary of the Parent shall not be deemed exceeded solely as a result of fluctuations in exchange rates or currency values occurring after such Debt was Incurred.

(d) For purposes of determining compliance with this Section 4.09, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (b)(i) through (b)(xvii) above or is entitled to be incurred pursuant to clause (a) of this Section 4.09, the Company shall, in its sole discretion, classify (or later reclassify in whole or in part, in its sole discretion) such item of Debt in any manner that complies with this Section 4.09. Debt under the Senior Secured Credit Facilities outstanding on the Issue Date shall be deemed to have been incurred on such date in reliance on the exception provided by clause (b)(ii) above. The principal amount of any Debt supported by a letter of credit issued under a Credit Facility in accordance with clause (b)(ii) above will not constitute a separate incurrence of Debt for purposes of this Section 4.09, to the extent of the stated amount of the letter of credit.

The Parent and its Restricted Subsidiaries will not incur or suffer to exist any Debt that is subordinated in right of payment to any other Debt of the Parent and its Restricted Subsidiaries unless such Debt is at least equally subordinated in right of payment to the Notes and the Guarantees.

Section 4.10. **Restricted Payments**.

(a) The Parent shall not make, and shall not permit any of its Restricted Subsidiaries to make, directly or indirectly, any Restricted Payment if at the time of, and after giving effect to, such proposed Restricted Payment,

(i) a Default or Event of Default shall have occurred and be continuing;

(ii) the Company could not Incur at least $1.00 of additional Debt pursuant to Section 4.09(a); or

(iii) the aggregate amount of such Restricted Payment and all other Restricted Payments declared or made since January 1, 2010 (the amount of any Restricted Payment, if made other than in cash, to be based upon Fair Market Value at the time of such Restricted Payment) would exceed an amount equal to the sum of:

(A) 50% of the aggregate amount of Consolidated Net Income accrued during the period (treated as one accounting period) from January 1, 2010 to the end of the most recently completed fiscal quarter for which financial statements are available (or if the aggregate amount of Consolidated Net Income for such period shall be a deficit, minus 100% of such deficit); *plus*

(B) 100% of the Capital Contributions (other than Excluded Contributions); *plus*

(C) the sum of:

(1) the aggregate net cash proceeds received by the Parent or any Restricted Subsidiary from the issuance or sale after January 1, 2010 of convertible or exchangeable Debt that has been converted into or exchanged for Capital Stock (other than Disqualified Stock) of the Parent; and

(2) the aggregate amount by which Debt (other than Subordinated Debt) of the Parent or any Restricted Subsidiary is reduced on the Parent's consolidated balance sheet on or after January 1, 2010 upon the conversion or exchange of any Debt issued or sold on or prior to January 1, 2010 that is convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Parent,

excluding, in the case of clause (1) or (2):

(x) any such Debt issued or sold to the Parent or a Subsidiary of the Parent or an employee stock ownership plan or trust established by the Parent or any such Subsidiary for the benefit of their employees; and

(y) the aggregate amount of any cash or other Property distributed by the Parent or any Restricted Subsidiary upon any such conversion or exchange; *plus*

(D) an amount equal to the sum of:

(1) the amount received from any Investments in any Persons since January 1, 2010 other than the Parent or a Restricted Subsidiary resulting from dividends, repayments of loans or advances or other transfers of Property, in each case to the Parent or any Restricted Subsidiary from such Person; and

(2) the portion (proportionate to the Parent's equity interest in such Unrestricted Subsidiary) of the Fair Market Value of the net assets of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary or has been merged or consolidated with or into or transfers all of its assets into the Parent or another Restricted Subsidiary; *provided*, *however*, that the foregoing sum shall not exceed, in the case of any Person, the amount of Investments previously made (and treated as a Restricted Payment) by the Parent or any Restricted Subsidiary in such Person; *plus*

(E) $50,000,000.

(b) The provisions of the first paragraph of this Section 4.10 will not prohibit:

(i) the payment of any dividends within 60 days of the declaration thereof if, on the declaration date, such dividends could have been paid in compliance with this Indenture; *provided*, *however*, that at the time of such payment of such dividend, no other Default or Event of Default shall have occurred and be continuing (or result therefrom); *provided*, *further*, *however*, that such dividend shall be included in the calculation of the amount of Restricted Payments;

(ii) the purchase, repurchase, redemption, legal defeasance, acquisition or retirement for value of Capital Stock of the Parent or Subordinated Debt in exchange for, or out of the proceeds of the sale within 30 days of, Capital Stock of the Parent (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary of the Parent or an employee stock ownership plan or trust established by the Parent or any such Subsidiary for the benefit of their employees); *provided*, *however*, that

(A) such purchase, repurchase, redemption, legal defeasance, acquisition or retirement shall be excluded in the calculation of the amount of Restricted Payments and

(B) the Capital Contributions from such exchange or sale shall be excluded from the calculation pursuant to clause (a)(iii)(B) above;

(iii) the purchase, repurchase, redemption, legal defeasance, acquisition or retirement for value of any Subordinated Debt in exchange for, or out of the proceeds of the sale within 30 days of, Permitted Refinancing Debt; *provided*, *however*, that such purchase, repurchase, redemption, legal defeasance, acquisition or retirement shall be excluded in the calculation of the amount of Restricted Payments;

(iv) the repurchase of shares or units of, or options to purchase shares of, common stock or common units, as the case may be, of the Parent or any of its Subsidiaries from current or former officers, directors or employees of the Parent or any of its Subsidiaries (or permitted transferees of such current or former officers, directors or employees), pursuant to the terms of agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors under which such individuals purchase or sell, or are granted the option to purchase or sell, shares of such common stock or common units; *provided*, *however*, that the aggregate amount of such repurchases shall not exceed $2.0 million in any calendar year and at the time of such repurchase, no other Default or Event of Default shall have occurred and be continuing (or result therefrom); *provided*, *further*, that unused amounts may carry over and be used in subsequent calendar years, in addition to the amounts permitted for such calendar year, up to a maximum of $5.0 million in any calendar year; *provided*, *further*, *however*, that such repurchases shall be included in the calculation of the amount of Restricted Payments;

(v) the repurchase of Capital Stock deemed to occur upon the exercise of stock options to the extent such Capital Stock represented a portion of the exercise price of those stock options; *provided*, *however*, that such payments will be excluded in the calculation of the amount of Restricted Payments;

(vi) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the declaration of any payment of regularly scheduled or accrued dividends to (A) holders of any class or series of Disqualified Stock of the Parent issued on or after the Issue Date pursuant to Section 4.09(a) and (B) holders of any class or series of Preferred Stock (other than Disqualified Stock) of the Parent issued after the Issue Date; *provided* that at the time of the issuance of such stock and after giving pro forma effect thereto (treating the aggregate liquidation preference of such Preferred Stock as Debt), the Company would have been able to incur at least $1.00 of additional Debt pursuant to Section 4.09(a); *provided*, *however*, that such payments will be excluded in the calculation of the amount of Restricted Payments;

(vii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, upon the occurrence of a Change of Control and within 90 days after completion of the offer to repurchase Notes pursuant to Section 4.18 (including the purchase of all Notes tendered), any repurchase or redemption of Debt of the Parent or any of its Restricted Subsidiaries subordinated to the Notes that is required to be repurchased or redeemed pursuant to the terms thereof as a result of such Change of Control, at a purchase price not greater than 101% of the outstanding principal amount thereof (plus accrued and unpaid interest and liquidated damages, if any); *provided* that such redemptions or repurchases shall be included in the calculation of the amount of Restricted Payments;

(viii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, within 90 days after completion of any offer to repurchase Notes pursuant to Section 4.12 (including the purchase of all Notes tendered), any repurchase or redemption of Debt of the Parent or any of its Restricted Subsidiaries subordinated to the Notes that is required to be repurchased or redeemed pursuant to the terms thereof as a result of such Asset Sale, at a purchase price not greater than 100% of the outstanding principal amount thereof (plus accrued and unpaid interest and liquidated damages, if any); *provided* that such redemptions or repurchases shall be included in the calculation of the amount of Restricted Payments; or

(ix) the redemption, repurchase or other acquisition for value of Capital Stock of the Parent representing fractional shares of such Capital Stock in connection with a merger, consolidation, amalgamation or other combination involving the Company or any direct or indirect parent entity of the Company; *provided* that such redemptions, repurchases or other acquisitions shall be included in the calculation of the amount of Restricted Payments;

(x) Investments that are made with Excluded Contributions; *provided* that such payments shall be excluded in the calculation of the amount of Restricted Payments;

(xi) to the extent the Existing Notes are deemed to be Subordinated Debt, the purchase, redemption or retirement for value of the Existing Notes; provided that each purchase, redemption, or retirements for value shall be excluded in the calculation of the amount of Restricted Payments; and

(xii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, Restricted Payments not otherwise permitted under the foregoing clauses (b)(i) through (b)(xi) in an amount not to exceed $15.0 million; *provided* that such amounts shall be excluded in the calculation of the amount of Restricted Payments.

For purposes of determining compliance with this covenant, in the event that a Restricted Payment meets the criteria of more than one of the categories described in clauses (b)(i) through (b)(xii) above or is entitled to be made pursuant to Section 4.10(a), the Company shall, in its sole discretion, classify (or later reclassify in whole or in part, in its sole discretion) such Restricted Payment in any manner that complies with this covenant.

Section 4.11. **Liens**.

(a) The Parent and the Company shall not, and shall not permit any of their respective Restricted Subsidiaries to, directly or indirectly, Incur or suffer to exist any Lien (other than Permitted Liens) upon any of its Property (including Capital Stock of a Restricted Subsidiary), whether owned at the Issue Date or thereafter acquired, or any interest therein or any income or profits therefrom, unless:

(i) if such Lien secures Debt ranking *pari passu* with the Notes, the Notes or the applicable Guarantee is secured on an equal and ratable basis with such Debt; and

(ii) if such Lien secures Subordinated Debt, such Lien shall be subordinated to a Lien securing the Notes or the applicable Guarantee in the same Property as that securing such Lien to the same extent as such Subordinated Debt is subordinated to the Notes and the Guarantees.

Section 4.12. **Asset Sales**.

(a) The Parent and the Company shall not, and shall not permit any of their respective Restricted Subsidiaries to, directly or indirectly, consummate any Asset Sale unless:

(i) the Parent or a Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the Property subject to such Asset Sale;

(ii) at least 75% of the consideration paid to the Parent or a Restricted Subsidiary in connection with such Asset Sale is in the form of cash or Cash Equivalents or the assumption by the purchaser of liabilities of the Parent or any Restricted Subsidiary (other than contingent liabilities or liabilities that are by their terms subordinated to the Notes or the applicable Guarantee) as a result of which the Parent and the Restricted Subsidiaries are no longer obligated with respect to such liabilities; and

(iii) the Company delivers an Officers' Certificate to the Trustee certifying that such Asset Sale complies with the foregoing clauses (i) and (ii).

(b) Solely for the purposes of clause (a)(ii) above, the following will be deemed to be cash:

(i) any securities, notes or other obligations received by the Parent or the Restricted Subsidiary from a transferee that are converted by the Parent or such Restricted Subsidiary into cash (to the extent of the cash received) within 90 days following the closing of such Asset Sale; and

(ii) any Designated Non-cash Consideration received by the Parent or any of its Restricted Subsidiaries in such Asset Sale having an aggregate Fair Market Value (measured at the time received and without giving effect to subsequent changes in value), taken together with all other Designated Noncash Consideration received pursuant to this clause (b)(ii) then outstanding, not to exceed $20.0 million.

(c) The Net Available Cash (or any portion thereof) from Asset Sales may be applied by the Parent, the Company or a Restricted Subsidiary, to the extent the Parent, the Company or such Restricted Subsidiary elects (or is required by the terms of any Debt):

(i) to Repay Debt outstanding under Credit Facilities; or

(ii) to reinvest in Additional Assets (including by means of an Investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by the Parent, the Company or Restricted Subsidiary).

(d) Pending the final application of any such Net Available Cash, the Company may temporarily reduce revolving credit borrowings or otherwise invest such Net Available Cash in any manner that is not prohibited by this Indenture.

(e) Any Net Available Cash from an Asset Sale not applied in accordance with the preceding paragraph within 365 days from the date of the receipt of such Net Available Cash or that is not segregated from the general funds of the Company for investment in identified Additional Assets in respect of a project that shall have been commenced, and for which binding contractual commitments have been entered into, prior to the end of such 365-day period and that shall not have been completed or abandoned shall constitute "***Excess Proceeds***"; *provided*, *however*, that if during such 365-day period after the re-

ceipt of any such Net Available Cash the Parent (or the applicable Restricted Subsidiary) enters into a definitive binding agreement committing it to apply such Net Available Cash in accordance with the requirements of clause (b) of the preceding paragraph after such 365th day, such 365-day period will be extended with respect to the amount of Net Available Cash so committed for a period not to exceed 120 days until such Net Available Cash is applied in accordance with such agreement (or, if earlier, until termination of such agreement); *provided*, *further*, *however*, that the amount of any Net Available Cash that ceases to be so segregated as contemplated above and any Net Available Cash that is segregated in respect of a project that is abandoned or completed shall also constitute "Excess Proceeds" at the time any such Net Available Cash ceases to be so segregated or at the time the relevant project is so abandoned or completed, as applicable; *provided*, *further*, *however*, that the amount of any Net Available Cash that continues to be segregated for investment in identified Additional Assets and that is not actually so invested within 365 days (as extended with respect to the amount of Net Available Cash committed to be applied in accordance with a definitive binding agreement as described above) from the date of the receipt of such Net Available Cash shall also constitute "Excess Proceeds."

When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall make an offer to repurchase (the "***Prepayment Offer***") the Notes within five Business Days, which offer shall be in the amount of the Allocable Excess Proceeds (rounded to the nearest $1,000), on a *pro rata* basis according to principal amount, at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, including Special Interest, if any, to the repurchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures (including prorating in the event of oversubscription) set forth in Section 3.09. To the extent that any portion of the amount of Net Available Cash remains after compliance with the preceding sentence and *provided* that all Holders of Notes have been given the opportunity to tender their Notes for repurchase in accordance with this Indenture, the Parent or a Restricted Subsidiary may use such remaining amount for any purpose permitted by this Indenture, and the amount of Excess Proceeds will be reset to zero.

The term "***Allocable Excess Proceeds***" shall mean the product of:

(a) the Excess Proceeds and

(b) a fraction,

(1) the numerator of which is the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer, and

(2) the denominator of which is the sum of the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer and the aggregate principal amount of other Debt of the Company outstanding on the date of the Prepayment Offer that is *pari passu* in right of payment with the Notes and subject to terms and conditions in respect of Asset Sales similar in all material respects to this Section 4.12 and requiring the Company to make an offer to repurchase such Debt at substantially the same time as the Prepayment Offer.

(f) The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this Section 4.12. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section 4.12, the Company shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.12 by virtue thereof.

Section 4.13. **Restrictions on Distributions from Restricted Subsidiaries**.

(a) The Parent and the Company shall not, and shall not permit any of their respective Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist any consensual restriction on the right of any of their respective Restricted Subsidiaries to:

(i) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock, or pay any Debt or other obligation owed, to any Restricted Subsidiary or, in the case of a Restricted Subsidiary that is not owned, directly or indirectly by the Company or any Guarantor, to the Parent or any Restricted Subsidiary,

(ii) make any loans or advances to the Parent or any Restricted Subsidiary, or

(iii) transfer any of its Property to the Parent or any Restricted Subsidiary.

(b) The foregoing limitations will not apply:

(i) with respect to clauses (i), (ii) and (iii), to restrictions:

(A) in effect on the Issue Date (including, without limitation, restrictions pursuant to the Notes, this Indenture and the Senior Secured Credit Facilities),

(B) relating to Debt of a Restricted Subsidiary and existing at the time it became a Restricted Subsidiary if such restriction was not created in connection with or in anticipation of the transaction or series of transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was acquired by the Parent or the Company,

(C) that result from the Refinancing of Debt Incurred pursuant to an agreement referred to in clause (i)(A) or (B) above or in clause (ii)(A) or (B) below; *provided* such restrictions are not more restrictive, taken as a whole, than those contained in the agreement evidencing the Debt so Refinanced,

(D) contained in any agreement for the sale or other disposition of a Restricted Subsidiary in accordance with the terms of this Indenture that restricts distributions by that Restricted Subsidiary pending such sale or other disposition,

(E) relating to Debt or other contractual requirements or restrictions of a Securitization Subsidiary in connection with a Permitted Receivables Financing; *provided* that such restrictions only apply to such Securitization Subsidiary,

(F) contained in any agreement governing Debt incurred by a Foreign Restricted Subsidiary permitted under Section 4.09; *provided* that such restrictions only apply to such Foreign Restricted Subsidiary; *provided*, *further*, that such Debt is not guaranteed by the Parent or any of its Domestic Restricted Subsidiaries, and

(G) customary restrictions contained in any Interest Rate Agreement, Currency Exchange Protection Agreement, Commodity Price Protection Agreement or other similar agreement or arrangement to the extent the related Hedging Obligation is otherwise permitted under this Indenture.

(ii) with respect to clause (iii) only, to restrictions:

(A) relating to Debt that is permitted to be Incurred and secured without also securing the Notes or the applicable Guarantee pursuant to Section 4.09 and Section 4.11 that limit the right of the debtor to dispose of the Property securing such Debt,

(B) encumbering Property at the time such Property was acquired by the Parent or any Restricted Subsidiary, so long as such restrictions relate solely to the Property so acquired and were not created in connection with or in anticipation of such acquisition,

(C) resulting from customary provisions restricting subletting or assignment of leases or customary provisions in other agreements that restrict assignment of such agreements or rights thereunder,

(D) customary restrictions contained in asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements limiting the transfer of such Property pending the closing of such sale,

(E) customary restrictions contained in joint venture and similar agreements entered into in the ordinary course of business and otherwise not prohibited by this Indenture,

(F) customary non-assignment provisions in leases entered into in the ordinary course of business, and

(G) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Section 4.14. **Affiliate Transactions**.

(a) The Parent and the Company shall not, and shall not permit any of their respective Restricted Subsidiaries to, directly or indirectly, enter into any transaction or series of transactions (including the purchase, sale, transfer, assignment, lease, conveyance or exchange of any Property or the rendering of any service) with, or for the benefit of, any Affiliate of the Parent or the Company (an "***Affiliate Transaction***"), unless:

(i) the terms of such Affiliate Transaction are set forth in writing and no less favorable to the Parent or such Restricted Subsidiary, as the case may be, than those that could be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of the Parent or such Restricted Subsidiary;

(ii) if such Affiliate Transaction involves aggregate payments or value in excess of $2.5 million, the Company delivers an Officers' Certificate to the Trustee certifying that such transaction or series of related transactions complies with clause (i) above; and

(iii) if such Affiliate Transaction involves aggregate payments or value in excess of $15.0 million, either (A) such Affiliate Transaction has been approved by a majority of the Disinterested Directors of the Board of Directors, or in the event there is only one Disinterested Director, by such Disinterested Director, or (B) the Company obtains a written opinion from an Independent Financial Advisor to the effect that the consideration to be paid or received in connection

with such Affiliate Transaction is fair, from a financial point of view, to the Parent and its Restricted Subsidiaries.

(b) Notwithstanding the foregoing limitation, the Parent or any Restricted Subsidiary may enter into or suffer to exist the following:

(i) any transaction or series of transactions between the Parent and one or more Restricted Subsidiaries or between two or more Restricted Subsidiaries in the ordinary course of business;

(ii) any Restricted Payment permitted to be made pursuant to Section 4.10 or any Permitted Investment;

(iii) the payment of compensation (including amounts paid pursuant to employee benefit plans) for the personal services of officers, directors and employees of the Parent or any of its Restricted Subsidiaries, so long as the Board of Directors in good faith shall have approved the terms thereof and deemed the services theretofore or thereafter to be performed for such compensation to be fair consideration therefor;

(iv) loans and advances to non-executive employees made in the ordinary course of business and consistent with the past practices of the Parent or such Restricted Subsidiary, as the case may be; *provided* that such loans and advances do not exceed $2.0 million in the aggregate at any one time outstanding;

(v) agreements in effect on the Issue Date and described in the offering memorandum and any modifications, extensions or renewals thereto that are no less favorable to the Parent or any Restricted Subsidiary than such agreements as in effect on the Issue Date;

(vi) customary indemnification agreements with officers and directors of the Parent or its Restricted Subsidiaries;

(vii) transactions with a Person (other than an Unrestricted Subsidiary of the Parent) that is an Affiliate of the Parent solely because the Parent owns, directly or through a Restricted Subsidiary, Capital Stock in or controls such Person;

(viii) any payments or other transactions pursuant to any tax sharing agreement between Parent or the Company and any other Person with which Parent or the Company files a consolidated tax return or with which the Parent or the Company is part of a consolidated group for tax purposes;

(ix) the issuance of Capital Stock (other than Disqualified Stock) of the Parent to any Affiliate; and

(x) transactions between a Securitization Subsidiary and the Parent or one or more Restricted Subsidiaries in connection with a Permitted Receivables Financing.

Section 4.15. **RESERVED**.

Section 4.16. **RESERVED**.

Section 4.17. **Designation of Restricted and Unrestricted Subsidiaries**.

(a) The Board of Directors of the Company may designate any of the Parent's Subsidiaries to be an Unrestricted Subsidiary if the Parent or a Restricted Subsidiary, as the case may be, is permitted to make such Investment in such Subsidiary and such Subsidiary:

(i) does not own any Capital Stock or Debt of, or own or hold any Lien on any Property of, the Parent or any Restricted Subsidiary;

(ii) has no Debt other than Non-Recourse Debt; *provided*, *however*, that the Parent or a Restricted Subsidiary may loan, advance, extend credit to, or guarantee the Debt of an Unrestricted Subsidiary at any time at or after such Subsidiary is designated as an Unrestricted Subsidiary in accordance with Section 4.10;

(iii) except as would be permitted by Section 4.14, is not party to any agreement, contract, arrangement or understanding with the Parent or any Restricted Subsidiaries unless the terms of any such agreement, contract, arrangement or understanding are no less favorable, taken as a whole, to the Parent or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent or the Company;

(iv) is a Person with respect to which neither the Parent nor any Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Capital Stock or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(v) has not Guaranteed or otherwise directly or indirectly provided credit support in the form of Debt for any Debt of the Parent or its Restricted Subsidiaries.

(b) Unless so designated as an Unrestricted Subsidiary, any Person that becomes a Subsidiary of the Parent will be classified as a Restricted Subsidiary; *provided*, *however*, that such Subsidiary shall not be designated a Restricted Subsidiary and shall be automatically classified as an Unrestricted Subsidiary if either of the requirements set forth in subparagraphs (i) and (ii) of clause (d) below will not be satisfied after giving pro forma effect to such classification or if such Person is a Subsidiary of an Unrestricted Subsidiary.

(c) Except as provided in the first sentence of clause (b), no Restricted Subsidiary may be redesignated as an Unrestricted Subsidiary, and neither the Parent nor any Restricted Subsidiary shall at any time be directly or indirectly liable for any Debt that provides that the holder thereof may (with the passage of time or notice or both) declare a default thereon or cause the payment thereof to be accelerated or payable prior to its Stated Maturity upon the occurrence of a default with respect to any Debt, Lien or other obligation of any Unrestricted Subsidiary (including any right to take enforcement action against such Unrestricted Subsidiary). Upon designation of a Restricted Subsidiary as an Unrestricted Subsidiary in compliance with this Section 4.17, such Restricted Subsidiary shall, by execution and delivery of a supplemental indenture in form satisfactory to the Trustee, be released from any Guarantee previously made by such Restricted Subsidiary.

(d) The Board of Directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if, immediately after giving pro forma effect to such designation,

(i) the Company could Incur at least $1.00 of additional Debt pursuant to Section 4.09(a); and

(ii) no Default or Event of Default shall have occurred and be continuing or would result therefrom.

Any such designation or redesignation by the Board of Directors will be evidenced to the Trustee by filing with the Trustee a Board Resolution giving effect to such designation or redesignation and an Officers' Certificate that:

(a) certifies that such designation or redesignation complies with the foregoing provisions, and

(b) gives the effective date of such designation or redesignation;

such filing with the Trustee to occur within 45 days after the end of the fiscal quarter of the Parent in which such designation or redesignation is made (or, in the case of a designation or redesignation made during the last fiscal quarter of the Company's fiscal year, within 90 days after the end of such fiscal year).

Section 4.18. **Repurchase at the Option of Holders upon a Change of Control**.

(a) Upon the occurrence of a Change of Control, the Company shall, within 30 days of a Change of Control, make an offer (the "***Change of Control Offer***") pursuant to the procedures set forth in Section 3.09. Each Holder shall have the right to accept such offer and require the Company to repurchase all or any portion (equal to $1,000 or an integral multiple of $1,000) of such Holder's Notes pursuant to the Change of Control Offer at a purchase price, in cash (the "***Change of Control Amount***"), equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest on the Notes repurchased, to the Purchase Date.

(b) The Company will not be required to make a Change of Control Offer upon a Change of Control if (i) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer or (ii) an irrevocable notice of redemption for all outstanding Notes has been given in accordance with this Indenture.

(c) A Change of Control Offer may be made in advance of a Change of Control, conditional upon the Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

Section 4.19. **Future Guarantors**.

The Parent and the Company shall cause each Person that becomes a Domestic Restricted Subsidiary (other than a Securitization Subsidiary) following the Issue Date to execute and deliver to the Trustee a Guarantee at the time such Person becomes a Domestic Restricted Subsidiary. In addition, the Parent and the Company will cause each of its respective existing non-Guarantor Subsidiaries and each of its respective Foreign Restricted Subsidiaries created or acquired after the Issue Date which has guaran-

teed or which guarantees any Debt of the Parent or any of its Domestic Restricted Subsidiaries, to execute and deliver to the Trustee a Guarantee pursuant to which such non-Guarantor Subsidiary or Foreign Restricted Subsidiary will guarantee payment of the Company's obligations under the Notes on the same terms and conditions as set forth in the guarantee of such other Debt of the Parent or any Domestic Restricted Subsidiary given by such non-Guarantor Subsidiary or Foreign Restricted Subsidiary; *provided* that if such Debt is by its express terms subordinated in right of payment to the Notes, any such guarantee of such non-Guarantor Subsidiary or Foreign Restricted Subsidiary with respect to such Debt will be subordinated in right of payment to such non-Guarantor Subsidiary's or Foreign Restricted Subsidiary's Guarantee with respect to the Notes substantially to the same extent as such Debt is subordinated to the Notes; *provided, further, however*, that any such Guarantee shall also provide by its terms that it will be automatically and unconditionally released upon the release or discharge of such guarantee of payment of such other Debt (except a discharge by or as a result of payment under such guarantee).

ARTICLE 5.

SUCCESSORS

Section 5.01. **Merger, Consolidation and Sale of Assets**.

(a) The Company shall not merge, consolidate or amalgamate with or into any other Person (other than a merger of a Wholly Owned Restricted Subsidiary into the Company) or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all of its Property in any one transaction or series of transactions unless:

(i) the Company shall be the Surviving Person in such merger, consolidation or amalgamation, or the Surviving Person (if other than the Company) formed by such merger, consolidation or amalgamation or to which such sale, transfer, assignment, lease, conveyance or disposition is made shall be a corporation, partnership or limited liability company organized and existing under the laws of the United States of America, any State thereof or the District of Columbia; *provided, however*, that if such Person is a limited liability company or partnership, a corporate Wholly Owned Restricted Subsidiary of such Person becomes a co-issuer of the Notes in connection therewith;

(ii) the Surviving Person (if other than the Company) expressly assumes, by supplemental indenture in form satisfactory to the Trustee, executed and delivered to the Trustee by such Surviving Person, the due and punctual payment of the principal of, and premium, if any, and interest on, all the Notes, according to their tenor, and the due and punctual performance and observance of all the covenants and conditions of this Indenture to be performed by the Company;

(iii) in the case of a sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all the Property of the Company, such Property shall have been transferred as an entirety or virtually as an entirety to one Person;

(iv) immediately before and after giving effect to such transaction or series of transactions on a *pro forma* basis (and treating, for purposes of this clause (iv) and clause (v) below, any Debt that becomes, or is anticipated to become, an obligation of the Surviving Person or any Restricted Subsidiary as a result of such transaction or series of transactions as having been Incurred by the Surviving Person or such Restricted Subsidiary at the time of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing;

(v) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis, either (a) the Company or the Surviving Person, as the case may be, would be able to Incur at least $1.00 of additional Debt under Section 4.09(a) or (b) the Consolidated Interest Coverage Ratio would not be lower than the Consolidated Interest Coverage Ratio immediately prior to giving effect to such transaction or series of transactions; and

(vi) the Company shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such transaction or series of transactions and the supplemental indenture, if any, in respect thereto comply with this covenant and that all conditions precedent herein provided for relating to such transaction or series of transactions have been satisfied.

(b) The Parent shall not, and the Parent and the Company shall not permit any Guarantor to merge, consolidate or amalgamate with or into any other Person (other than a merger of a Wholly Owned Restricted Subsidiary into the Parent, the Company or such Guarantor) or sell, transfer, assign, lease, convey or otherwise dispose of all or substantially all its Property in any one transaction or series of transactions (other than a sale, transfer, assignment, lease, conveyance or other disposition between or among the Company and any Guarantor) unless:

(i) the Surviving Person (if not such Guarantor) formed by such merger, consolidation or amalgamation or to which such sale, transfer, assignment, lease, conveyance or disposition is made shall be a corporation, company (including a limited liability company) or partnership organized and existing under the laws of the United States of America, any State thereof or the District of Columbia;

(ii) the Surviving Person (if other than such Guarantor) expressly assumes, by supplemental indenture in form satisfactory to the Trustee, executed and delivered to the Trustee by such Surviving Person, the due and punctual performance and observance of all the obligations of such Guarantor under its Guarantee;

(iii) in the case of a sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all the Property of such Guarantor, such Property shall have been transferred as an entirety or virtually as an entirety to one Person;

(iv) immediately before and after giving effect to such transaction or series of transactions on a *pro forma* basis (and treating, for purposes of this clause (iv) and clause (v) below, any Debt that becomes, or is anticipated to become, an obligation of the Surviving Person, the Parent or any Restricted Subsidiary as a result of such transaction or series of transactions as having been Incurred by the Surviving Person, the Parent or such Restricted Subsidiary at the time of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing;

(v) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis, either (a) the Company would be able to Incur at least $1.00 of additional Debt under Section 4.09(a) or (b) the Consolidated Interest Coverage Ratio would not be lower than the Consolidated Interest Coverage Ratio immediately prior to giving effect to such transaction or series of transactions; and

(vi) the Company shall deliver, or cause to be delivered, to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officers' Certificate and an Opinion of Counsel, each stating that such transaction or series of transactions and such Guarantee, if any, in re-

spect thereto comply with this covenant and that all conditions precedent herein provided for relating to such transaction or series of transactions have been satisfied.

The foregoing provisions (other than clause (iv) in each of paragraphs (a) and (b) hereof) shall not apply to any transaction or series of transactions which constitute an Asset Sale if the Parent and the Company have complied with Section 4.12.

Section 5.02. **Successor Corporation Substituted**.

The Surviving Person shall succeed to, and be substituted for, and may exercise every right and power of the Company or a Subsidiary Guarantor, as applicable, under this Indenture; *provided*, *however*, that the predecessor entity shall not be released from any of the obligations or covenants under this Indenture, including with respect to the payment of the Notes and obligations under the Guarantee, as the case may be, in the case of:

(a) a sale, transfer, assignment, conveyance or other disposition (unless such sale, transfer, assignment, conveyance or other disposition is of all of the assets of the Company as an entirety or substantially as an entirety, or

(b) a lease.

ARTICLE 6.

DEFAULTS AND REMEDIES

Section 6.01. **Events of Default**.

Each of the following constitutes an "***Event of Default***" with respect to the Notes:

(a) failure to make the payment of any interest on the Notes when the same becomes due and payable, and such failure continues for a period of 30 days;

(b) failure to make the payment of any principal of, or premium, if any, on, any of the Notes when the same becomes due and payable at its Stated Maturity, upon acceleration, redemption, optional redemption, required repurchase or otherwise;

(c) failure to comply with Section 5.01;

(d) failure to comply with any other covenant or agreement in the Notes or in this Indenture (other than a failure that is the subject of the foregoing clause (a), (b) or (c)), and such failure continues for 30 days after written notice is given to the Company by the Trustee or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding specifying such default, demanding that it be remedied and stating that such notice is a "Notice of Default";

(e) a default under any Debt by the Parent or any Restricted Subsidiary that results in acceleration of the maturity of such Debt, or failure to pay any such Debt at maturity, in an aggregate amount greater than $10.0 million or its foreign currency equivalent at the time;

(f) any final judgment or judgments for the payment of money in an aggregate amount in excess of $10.0 million (or its foreign currency equivalent at the time) (net of any

amounts that a reputable and creditworthy insurance company shall have acknowledged liability for in writing) that shall be rendered against the Parent or any Restricted Subsidiary and that shall not be waived, satisfied or discharged for any period of 30 consecutive days during which a stay of enforcement shall not be in effect;

(g) any Guarantee of the Parent or a Significant Restricted Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Guarantee) or any Guarantor denies or disaffirms its obligations under its Guarantee;

(h) the Parent, the Company or any of their respective Significant Restricted Subsidiaries or any group of Restricted Subsidiaries that, when taken together, would constitute a Significant Restricted Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case or gives notice of intention to make a proposal under any Bankruptcy Law;

(B) consents to the entry of an order for relief against it in an involuntary case or consents to its dissolution or winding up;

(C) consents to the appointment of a receiver, interim receiver, receiver and manager, liquidator, trustee or custodian of it or for all or substantially all of its property;

(D) makes a general assignment for the benefit of its creditors; or

(E) admits in writing its inability to pay its debts as they become due or otherwise admits its insolvency; and

(i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Parent, the Company or any of their respective Significant Restricted Subsidiaries or any group of Restricted Subsidiaries that, when taken together, would constitute a Significant Restricted Subsidiary in an involuntary case; or

(B) appoints a receiver, interim receiver, receiver and manager, liquidator, trustee or custodian of the Parent, the Company or any of their respective Significant Restricted Subsidiaries or any group of Restricted Subsidiaries that, when taken together, would constitute a Significant Restricted Subsidiary or for all or substantially all of the property of the Parent, the Company or any of their respective Significant Restricted Subsidiaries or any group of Restricted Subsidiaries that, when taken together, would constitute a Significant Restricted Subsidiary; or

(C) orders the liquidation of the Parent, the Company or any of their respective Significant Restricted Subsidiaries or any group of Restricted Subsidiaries that, when taken together, would constitute a Significant Restricted Subsidiary;

and such order or decree remains unstayed and in effect for 60 consecutive days.

Section 6.02. **Acceleration**.

If any Event of Default (other than that described in Section 6.01(h) or (i)) occurs and is continuing, the Trustee may, and the Trustee upon the request of Holders of 25% in principal amount of the outstanding Notes shall, or the Holders of at least 25% in principal amount of outstanding Notes may, declare the principal of all the Notes, together with all accrued and unpaid interest, premium, if any, to be due and payable by notice in writing to the Company and the Trustee specifying the respective Event of Default and that such notice is a notice of acceleration (the "***Acceleration Notice***"), and the same shall become immediately due and payable.

In the case of an Event of Default specified in Section 6.01(h) or (i), all outstanding Notes shall become due and payable immediately without any further declaration or other act on the part of the Trustee or the Holders.

After any such acceleration, but before a judgment or decree based on acceleration is obtained by the Trustee, the registered holders of at least a majority in aggregate principal amount of the Notes then outstanding may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, premium or interest, have been cured or waived as provided in the indenture.

In the event of a declaration of acceleration of the Notes because an Event of Default described in Section 6.01(e) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default shall be remedied or cured by the Parent or a Restricted Subsidiary or waived by the holders of the relevant Debt within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except non-payment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes have been cured or waived.

Holders may not enforce this Indenture or the Notes except as provided in this Indenture.

Section 6.03. **Other Remedies**.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, and interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies shall be cumulative to the extent permitted by law.

Section 6.04. **Waiver of Defaults**.

The Holders of at least a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes, waive any existing Default or Event of Default, and its consequences, except a continuing Default or Event of Default (i) in the payment of the principal of, premium, if any, or interest, on the Notes and (ii) in respect of a covenant or provision which under this Indenture cannot be modified or amended without the consent of the Holder of

each Note affected by such modification or amendment. Upon any waiver of a Default or Event of Default, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed cured for every purpose of this Indenture but no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

Section 6.05. **Control by Majority**.

Subject to Section 7.01, Section 7.02(f) and Section 7.07 (including the Trustee's receipt of the security or indemnification described therein) hereof, in case an Event of Default shall occur and be continuing, the Holders of a majority in aggregate principal amount of the Notes then outstanding shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Notes.

Section 6.06. **Limitation on Suits**.

No Holder shall have any right to institute any proceeding with respect to this Indenture, or for the appointment of a receiver or trustee, or for any remedy thereunder, unless:

(a) such Holder has previously given to the Trustee written notice of a continuing Event of Default or the Trustee receives the notice from the Company,

(b) Holders of at least 25% in aggregate principal amount of the Notes then outstanding have made written request and offered reasonable indemnity to the Trustee to institute such proceeding as trustee, and

(c) the Trustee shall not have received from the Holders of a majority in aggregate principal amount of the Notes then outstanding a direction inconsistent with such request and shall have failed to institute such proceeding within 60 days.

The preceding limitations shall not apply to a suit instituted by a Holder for enforcement of payment of principal of, and premium, if any, or interest on, a Note on or after the respective due dates for such payments set forth in such Note.

A Holder may not use this Indenture to affect, disturb or prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Section 6.07. **Rights of Holders to Receive Payment**.

Notwithstanding any other provision of this Indenture (including Section 6.06), the right of any Holder to receive payment of principal, premium, if any, and interest on the Notes held by such Holder, on or after the respective due dates expressed in the Notes (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08. **Collection Suit by Trustee**.

If an Event of Default specified in Section 6.01(a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium, if any, and interest then due and owing (together with interest on overdue principal and, to the extent lawful, interest) and such further amount as

shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09. **Trustee May File Proofs of Claim**.

The Trustee shall be authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee and its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, moneys, securities and any other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. **Priorities**.

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders for amounts due and unpaid on the Notes for principal, premium, if any, and interest ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, respectively; and

Third: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11. **Undertaking for Costs**.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 shall not apply to a suit by the Trustee, a suit by the Company, a suit by a

Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes.

ARTICLE 7.

TRUSTEE

Section 7.01. **Duties of Trustee**.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) the duties of the Trustee shall be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section 7.01.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee shall be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder shall have offered to the Trustee reasonable indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregate from other funds except to the extent required by law.

Section 7.02. **Rights of Trustee**.

Subject to TIA Section 315:

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in any such document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(d) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(e) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default or Event of Default is received by a Responsible Officer of the Trustee at the Corporate Trust Office of the Trustee from the Company or the Holders of 25% in aggregate principal amount of the outstanding Notes, and such notice references the specific Default or Event of Default, the Notes and this Indenture.

(f) The Trustee shall not be required to give any bond or surety in respect of the performance of its power and duties hereunder.

(g) The Trustee shall have no duty to inquire as to the performance of the Company's covenants herein.

(h) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(i) Except with respect to receipt of payments of scheduled interest and any Default or Event of Default information contained in the Officer's Certificate delivered to it pursuant to Section 4.04, the Trustee shall have no duty to monitor or investigate the Issuer's compliance with or the breach of any representation, warranty or covenant made in this Indenture.

(j) Delivery of reports, information and documents to the Trustee under Section 4.03 is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely conclusively on an Officer's Certificates). The Trustee is under no duty to examine such reports, information or documents to ensure compliance with the provision of this indenture or to ascertain the correctness or otherwise of the information or the statements contained therein.

(k) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(l) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(m) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 7.03. **Individual Rights of Trustee**.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee or resign. Any Agent may do the same with like rights and duties. The Trustee shall also be subject to Sections 7.10 and 7.11 hereof.

Section 7.04. **Trustee's Disclaimer**.

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05. **Notice of Defaults**.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee shall mail to Holders a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.06. **Reports by Trustee to Holders**.

Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, and for so long as Notes remain outstanding, the Trustee shall mail to the Holders a brief re-

port dated as of such reporting date that complies with TIA §313(a) (but if no event described in TIA §313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA §313(b)(2). The Trustee shall also transmit by mail all reports as required by TIA §313(c).

A copy of each report at the time of its mailing to the Holders shall be mailed to the Company and filed with the Commission and each stock exchange on which the Notes are listed in accordance with TIA §313(d). The Company shall promptly notify the Trustee when the Notes are listed on any stock exchange and any delisting thereof.

Section 7.07. **Compensation and Indemnity**.

The Company shall pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Company shall indemnify the Trustee (in its capacity as Trustee) and its officers, directors, agents and employees, or any predecessor Trustee (in its capacity as Trustee) against any and all losses, claims, damages, penalties, fines, liabilities or expenses, including incidental and out-of-pocket expenses and reasonable attorneys fees (for purposes of this Article, "***losses***") incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Company (including this Section 7.07) and defending itself against any claim (whether asserted by the Company or any Holder or any other Person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent such losses may be attributable to its negligence or bad faith. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations under this Section 7.07, to the extent the Company has been prejudiced thereby. The Company shall defend the claim, and the Trustee shall cooperate in the defense. The Trustee may have separate counsel if the Trustee has been reasonably advised by counsel that there may be one or more legal defenses available to it that are different from or additional to those available to the Company and in the reasonable judgment of such counsel it is advisable for the Trustee to engage separate counsel, and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld. The Company need not reimburse any expense or indemnify against any loss incurred by the Trustee through the Trustee's own willful misconduct, negligence or bad faith.

The obligations of the Company under this Section 7.07 shall survive the satisfaction and discharge of this Indenture, the resignation or removal of the Trustee and payment in full of the Notes through the expiration of the applicable statute of limitations.

To secure the Company's payment obligations in this Section, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal, premium, if any, and interest on particular Notes. Such Lien shall survive the satisfaction and discharge of this Indenture.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(h) or (i) hereof occurs, the expenses and the compensation for the services (including the

fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.08. **Replacement of Trustee**.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

The Trustee may resign in writing at any time upon 30 days' prior notice to the Company and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10 hereof;

(b) the Trustee is adjudged bankrupt or insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a custodian or public officer takes charge of the Trustee or its property; or

(d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason (the Trustee in such event being referred to herein as the retiring Trustee), the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.10 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders. Subject to the Lien provided for in Section 7.07 hereof, the retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee; *provided*, *however*, that all sums owing to the Trustee hereunder shall have been paid. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee.

In the case of an appointment hereunder of a separate or successor Trustee with respect to the Notes, the Company, the Guarantors, any retiring Trustee and each successor or separate Trustee with respect to the Notes shall execute and deliver an Indenture supplemental hereto (1) which shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and

duties of any retiring Trustee with respect to the Notes as to which any such retiring Trustee is not retiring shall continue to be vested in such retiring Trustee and (2) that shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustee co-trustees of the same trust and that each such separate, retiring or successor Trustee shall be Trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any such other Trustee.

Section 7.09. **Successor Trustee by Merger, etc**.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or banking association, the successor corporation or banking association without any further act shall, if such successor corporation or banking association is otherwise eligible hereunder, be the successor Trustee.

Section 7.10. **Eligibility; Disqualification**.

There shall at all times be a Trustee hereunder that is a Person organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $50.0 million (or a wholly-owned subsidiary of a bank or trust company, or of a bank holding company, the principal subsidiary of which is a bank or trust company having a combined capital and surplus of at least $50.0 million) as set forth in its most recent published annual report of condition.

This Indenture shall always have a Trustee who satisfies the requirements of TIA §310(a)(1), (2) and (5). The Trustee is subject to TIA §310(b).

Section 7.11. **Preferential Collection of Claims Against Company**.

The Trustee is subject to TIA §311(a), excluding any creditor relationship listed in TIA §311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

ARTICLE 8.

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. **Option to Effect Legal Defeasance or Covenant Defeasance**.

The Company may, at its option and at any time, elect to have either Section 8.02 or 8.03 hereof applied to all outstanding Notes upon compliance with the conditions set forth in this Article 8.

Section 8.02. **Legal Defeasance and Discharge**.

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.02, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04, be deemed to have been discharged from its obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "***Legal Defeasance***") and each Guarantor shall be released from all of its obligations under its Guarantee. For this purpose, Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire Debt represented by the outstanding Notes,

which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in (a) and (b) below, and to have satisfied all its other obligations under the Notes and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of outstanding Notes to receive solely from the trust fund described in Section 8.04, and as more fully set forth in such Section, payments in respect of the principal of, premium, if any, or interest on such Notes when such payments are due,

(b) the Company's obligations with respect to such Notes under Article 2 and Sections 4.01 and 4.02,

(c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's obligations in connection therewith and

(d) this Article 8.

If the Company exercises under Section 8.01 the option applicable to this Section 8.02, subject to the satisfaction of the conditions set forth in Section 8.04, payment of the Notes may not be accelerated because of an Event of Default. Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section 8.03. **Covenant Defeasance**.

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04, be released from its obligations under the covenants contained in Sections 4.03, 4.09 through 4.14, 4.18 and 4.19 hereof, and the operation of Sections 5.01(a)(v) and (b)(v), with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "***Covenant Defeasance***") and each Guarantor shall be released from all of its obligations under its Guarantee with respect to such covenants in connection with such outstanding Notes and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby. If the Company exercises under Section 8.01 the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04, payment of the Notes may not be accelerated because of an Event of Default specified in clause (d) (with respect to the covenants contained in Sections 4.03, 4.09 through 4.14, 4.18 and 4.19 hereof), (e), (f), (g), (h) and (i) (but in the case of (h) and (i) of Section 6.01, with respect to Significant Restricted Subsidiaries only) or because of the Company's or the Parent's failure to comply with clauses (a)(v) and (b)(v) of Section 5.01.

Section 8.04. **Conditions to Legal or Covenant Defeasance**.

The following shall be the conditions to the application of either Section 8.02 or 8.03 to the outstanding Notes.

The Legal Defeasance or Covenant Defeasance may be exercised only if:

(a) the Company irrevocably deposits with the Trustee, in trust (the "***defeasance trust***"), for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non-callable U.S. Government Obligations, in an amount sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest on the outstanding Notes on the Stated Maturity or on the next redemption date, as the case may be, and the Company shall specify whether the Notes are being defeased to maturity or to such particular redemption date;

(b) in the case of Legal Defeasance, the Company shall deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) subsequent to the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of Covenant Defeasance, the Company shall deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default has occurred and is continuing on the date of deposit and after giving effect thereto (other than a Default resulting from the borrowing of funds to be applied to such deposit);

(e) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company or any Restricted Subsidiary is a party or by which the Company or any Restricted Subsidiary is bound;

(f) the Company must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the holders of the Notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(g) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05. **Deposited Cash and U.S. Government Obligations to Be Held in Trust; Other Miscellaneous Provisions**.

Subject to Section 8.06, all cash and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "***Trustee***") pursuant to Section 8.04 in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of all sums due and to become due thereon in respect of principal, premium, if any, and interest but such cash and securities need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the request of the Company any cash or non-callable U.S. Government Obligations held by it as provided in Section 8.04 which, in the opinion of a nationally recognized firm of independent certified public accountants expressed in a written certification thereof delivered to the Trustee (which may be the certification delivered under Section 8.04(a)), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06. **Repayment to Company**.

The Trustee shall promptly, and in any event, no later than five (5) Business Days, pay to the Company after request therefor, any excess money held with respect to the Notes at such time in excess of amounts required to pay any of the Company's Obligations then owing with respect to the Notes.

Any cash or non-callable U.S. Government Obligations deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal, premium, if any, or interest on any Note and remaining unclaimed for one year after such principal, premium, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder shall thereafter, as an unsecured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such cash and securities, and all liability of the Company as trustee thereof, shall thereupon cease; *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in *The New York Times* and *The Wall Street Journal* (national edition), notice that such cash and securities remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such cash and securities then remaining shall be repaid to the Company.

Section 8.07. **Reinstatement**.

If the Trustee or Paying Agent is unable to apply any cash or non-callable U.S. Government Obligations in accordance with Section 8.02 or 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Notes shall be revived and rein-

stated as though no deposit had occurred pursuant to Section 8.02 or 8.03 until such time as the Trustee or Paying Agent is permitted to apply all such cash and securities in accordance with Section 8.02 or 8.03, as the case may be; *provided*, *however*, that, if the Company makes any payment of principal of, premium, if any, or interest on any Note following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders to receive such payment from the cash and securities held by the Trustee or Paying Agent.

ARTICLE 9.

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01. **Without Consent of Holders of Notes**.

Notwithstanding Section 9.02 of this Indenture, the Company and the Trustee may amend or supplement this Indenture, the Notes or the Guarantees without the consent of any Holder to:

(a) cure any ambiguity, omission, defect or inconsistency in any manner that is not adverse in any material respect to any Holder of the Notes;

(b) provide for the assumption by a Surviving Person of the obligations of the Parent or a Restricted Subsidiary under this Indenture, the Notes and the Guarantees;

(c) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(d) add additional Guarantees or additional obligors with respect to the Notes or release, terminate or discharge Guarantors from Guarantees as permitted by the terms of this Indenture;

(e) secure the Notes;

(f) add to the covenants of the Parent and the Company for the benefit of the Holders or to surrender any right or power conferred upon the Parent or the Company;

(g) make any change that does not adversely affect the legal rights hereunder of any Holder of the Notes;

(h) comply with any requirement of the Commission in connection with the qualification of this Indenture under the TIA; or

(i) add a co-issuer of the Notes as contemplated under Section 5.01(a)(i);

(j) provide for the issuance of Additional Notes in accordance with this Indenture; or

(k) conform the text of this Indenture or the Notes to any provision of the "Description of the Notes" section of the offering memorandum, dated as of March 30, 2004, relating to the sale of the Initial Notes, to the extent that such provision was intended to be a verbatim recitation of a provision of this Indenture or the Notes.

Section 9.02. **With Consent of Holders of Notes**.

Except as provided below in this Section 9.02, the Company and the Trustee may amend or supplement this Indenture, the Notes or the Guarantees with the consent of the Holders of at least a majority in aggregate principal amount of the Notes, including Additional Notes, if any, then outstanding voting as a single class (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes), and, subject to Sections 6.04 and 6.07, may waive any existing Default or Event of Default (except a continuing Default or Event of Default in (i) the payment of principal, premium, if any, or interest on the Notes and (ii) in respect of a covenant or provision which under this Indenture cannot be modified or amended without the consent of the Holder of each Note affected by such modification or amendment) or compliance with any provision of this Indenture or the Notes.

Without the consent of each Holder, an amendment or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(a) reduce the amount of Notes whose Holders must consent to an amendment or waiver;

(b) reduce the rate of, or extend the time for payment of, interest, including special interst, if any, on any Note;

(c) reduce the principal of, or extend the Stated Maturity of, any Note;

(d) make any Note payable in money other than that stated in the Note;

(e) make any change in the provision of this Indenture protecting the right of any Holder to receive payment of principal of, premium, if any, and interest, if any, on, such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such Holder's Notes or any Guarantee;

(f) reduce the premium payable upon the redemption of any Note or change the time at which any Note may be redeemed, as described under Section 3.07;

(g) reduce the premium payable upon a Change of Control or, at any time after a Change of Control has occurred, change the time at which the Change of Control Offer relating thereto must be made or at which the Notes must be repurchased pursuant to such Change of Control Offer;

(h) at any time after the Company is obligated to make a Prepayment Offer with the Excess Proceeds from Asset Sales, change the time at which such Prepayment Offer must be made or at which the Notes must be repurchased pursuant thereto;

(i) expressly subordinate the Notes or any Guarantee to any other Debt of the Company or any Guarantor; or

(j) make any change in any Guarantee that would adversely affect the Holders.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Persons entitled to consent to any supplemental indenture. If a record date is fixed, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to consent to such supplemental indenture, whether or not such Holders remain Holders after such record

date; *provided* that unless such consent shall have become effective by virtue of the requisite percentage having been obtained prior to the date which is 120 days after such record date, any such consent previously given shall automatically and without further action by any Holder be cancelled and of no further effect.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company shall mail to the Holder of each Note affected thereby to such Holder's address appearing in the security register for the Company for the Notes a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver.

Section 9.03. **RESERVED**.

Section 9.04. **Revocation and Effect of Consents**.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion thereof that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent Holder may revoke the consent as to its Note or portion thereof if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver shall become effective in accordance with its terms and thereafter shall bind every Holder.

Section 9.05. **Notation on or Exchange of Notes**.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06. **Trustee to Sign Amendments, etc**.

The Trustee shall sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. Neither the Company nor any Guarantor may sign an amendment or supplemental indenture until its board of directors (or committee serving a similar function) approves it. In executing any amended or supplemental indenture, the Trustee shall be entitled to receive and (subject to Section 7.01 hereof) shall be fully protected in relying upon an Officers' Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture and that such amended or supplemental indenture is the legal, valid and binding obligations of the Company enforceable against it in accordance with its terms, subject to customary exceptions and that such amended or supplemental indenture complies with the provisions hereof.

ARTICLE 10.

GUARANTEES

Section 10.01. **Guarantee**.

Subject to this Article 10, the Guarantors hereby unconditionally guarantee to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns: (a) the due and punctual payment of the principal of, premium, if any, and interest on the Notes, subject to any applicable grace period, whether at Stated Maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on the overdue principal of and premium, if any, and, to the extent permitted by law, interest, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee under this Indenture, the Registration Rights Agreement or any other agreement with or for the benefit of the Holders or the Trustee, all in accordance with the terms hereof and thereof; and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration pursuant to Section 6.02, redemption or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

Each Guarantor hereby agrees that its obligations with regard to its Guarantee shall be joint and several, unconditional, irrespective of the validity or enforceability of the Notes or the obligations of the Company under this Indenture, the absence of any action to enforce the same, the recovery of any judgment against the Company or any other obligor with respect to this Indenture, the Notes or the Obligations of the Company under this Indenture or the Notes, any action to enforce the same or any other circumstances (other than complete performance) which might otherwise constitute a legal or equitable discharge or defense of a Guarantor. Each Guarantor further, to the extent permitted by law, waives and relinquishes all claims, rights and remedies accorded by applicable law to guarantors and agrees not to assert or take advantage of any such claims, rights or remedies, including but not limited to: (a) any right to require any of the Trustee, the Holders or the Company (each a "***Benefited Party***"), as a condition of payment or performance by such Guarantor, to (1) proceed against the Company, any other guarantor (including any other Guarantor) of the Obligations under the Guarantees or any other Person, (2) proceed against or exhaust any security held from the Company, any such other guarantor or any other Person, (3) proceed against or have resort to any balance of any deposit account or credit on the books of any Benefited Party in favor of the Company or any other Person, or (4) pursue any other remedy in the power of any Benefited Party whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the Company including any defense based on or arising out of the lack of validity or the unenforceability of the Obligations under the Guarantees or any agreement or instrument relating thereto or by reason of the cessation of the liability of the Company from any cause other than payment in full of the Obligations under the Guarantees; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Benefited Party's errors or omissions in the administration of the Obligations under the Guarantees, except behavior which amounts to bad faith; (e)(1) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of the Guarantees and any legal or equitable discharge of such Guarantor's obligations hereunder, (2) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (3) any rights to set-offs, recoupments and counterclaims and (4) promptness, diligence and any requirement that any Benefited Party protect, secure, perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentations, protests, notices of pro-

test, notices of dishonor and notices of any action or inaction, including acceptance of the Guarantees, notices of Default under the Notes or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Obligations under the Guarantees or any agreement related thereto, and notices of any extension of credit to the Company and any right to consent to any thereof; (g) to the extent permitted under applicable law, the benefits of any "One Action" rule and (h) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms of the Guarantees. Except to the extent expressly provided herein, including Sections 8.02, 8.03 and 10.05, each Guarantor hereby covenants that its Guarantee shall not be discharged except by complete performance of the obligations contained in its Guarantee and this Indenture.

If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Section 6.02 hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (y) in the event of any declaration of acceleration of such obligations as provided in Section 6.02 hereof, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Guarantee. The Guarantors shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantee. The other Guarantors' shares of such contribution payment will be computed based on the proportion that the net worth of the relevant Guarantor represents relative to the aggregate net worth of all of the Guarantors combined.

Section 10.02. **Limitation on Guarantor Liability**.

(a) Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that each Guarantor's liability shall be that amount from time to time equal to the aggregate liability of such Guarantor under the guarantee, but shall be limited to the lesser of (a) the aggregate amount of the Company's obligations under the Notes and this Indenture or (b) the amount, if any, which would not have (1) rendered the Guarantor "insolvent" (as such term is defined in Bankruptcy Law and in the Debtor and Creditor Law of the State of New York) or (2) left it with unreasonably small capital at the time its guarantee with respect to the Notes was entered into, after giving effect to the incurrence of existing Debt immediately before such time; *provided*, *however*, it shall be a presumption in any lawsuit or proceeding in which a Guarantor is a party that the amount guaranteed pursuant to the guarantee with respect to the Notes is the amount described in clause (a) above unless any creditor, or representative of creditors of the Guarantor, or debtor in possession or Trustee in bankruptcy of the Guarantor, otherwise proves in a lawsuit that the aggregate liability of the Guarantor is limited to the amount described in clause (b).

(b) In making any determination as to the solvency or sufficiency of capital of a Guarantor in accordance with this Section 10.02, the right of each Guarantor to contribution from other Guarantors and any other rights such Guarantor may have, contractual or otherwise, shall be taken into account.

Section 10.03. **Execution and Delivery of Guarantee**.

To evidence its Guarantee set forth in Section 10.01, each Guarantor hereby agrees that a notation of such Guarantee in substantially the form included in Exhibit E attached hereto shall be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture shall be executed on behalf of such Guarantor by its President, Chief Financial Officer, Treasurer or one of its Vice Presidents.

Each Guarantor hereby agrees that its Guarantee set forth in Section 10.01 shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

If an Officer whose signature is on this Indenture or on the Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Guarantee is endorsed, the Guarantee shall be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantors.

The Company hereby agrees that it shall cause each Person that becomes obligated to provide a Guarantee pursuant to Section 4.19 to execute a supplemental indenture in form and substance reasonably satisfactory to the Trustee, pursuant to which such Person provides the guarantee set forth in this Article 10 and otherwise assumes the obligations and accepts the rights of a Guarantor under this Indenture, in each case with the same effect and to the same extent as if such Person had been named herein as a Guarantor. The Company also hereby agrees to cause each such new Guarantor to evidence its guarantee by endorsing a notation of such guarantee on each Note as provided in this Section 10.03.

Section 10.04. **Guarantors May Consolidate, etc., on Certain Terms**.

Except as otherwise provided in Section 10.05, no Guarantor may consolidate with or merge with or into (whether or not such Guarantor is the Surviving Person) another Person whether or not affiliated with such Guarantor unless:

(a) subject to Section 10.05, the Person formed by or surviving any such consolidation or merger (if other than a Guarantor or the Company) unconditionally assumes all the obligations of such Guarantor, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee, under this Indenture, the Guarantee and any Registration Rights Agreements on the terms set forth herein or therein; and

(b) the Guarantor complies with the requirements of Article 5 hereof.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been

signed by the Company and delivered to the Trustee. All the Guarantees so issued shall in all respects have the same legal rank and benefit under this Indenture as the Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5, and notwithstanding clauses (a) and (b) above, nothing contained in this Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

Section 10.05. **Releases Following Merger, Consolidation or Sale of Assets, etc**.

In the event of a sale or other disposition of all or substantially all of the assets of any Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all of the Capital Stock of any Guarantor, in each case to a Person that is not (either before or after giving effect to such transactions) a Subsidiary of the Parent, then such Guarantor (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of such Guarantor) or the corporation acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor) shall be released and relieved of any obligations under its Guarantee; *provided* that the net proceeds of such sale or other disposition shall be applied in accordance with the applicable provisions of this Indenture, including without limitation Section 4.12. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary in accordance with the provisions of Section 4.17, such Subsidiary shall be released and relieved of any obligations under its Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company or Parent in accordance with the provisions of this Indenture, including without limitation Section 4.12, the Trustee shall execute any documents reasonably required in order to evidence the release of any Guarantor from its obligations under its Guarantee.

Any Guarantor not released from its obligations under its Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11.

SATISFACTION AND DISCHARGE

Section 11.01. **Satisfaction and Discharge**.

This Indenture shall be discharged and shall cease to be of further effect, except as to surviving rights of registration of transfer or exchange of the Notes, as to all Notes issued hereunder, when:

(a) either:

(i) all Notes that have been previously authenticated and delivered (except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has previously been deposited in trust or segregated and held in trust by the Company and is thereafter repaid to the Company or discharged from the trust) have been delivered to the Trustee for cancellation; or

(ii) all Notes that have not been previously delivered to the Trustee for cancellation have become due and payable by their terms within one year or have been called for redemption, and the Company has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination thereof, in such amounts as shall be sufficient without consideration of any reinvestment of interest, to pay and discharge the entire Debt on the Notes not previously delivered to the Trustee for cancellation or redemption for principal, premium, if any, and interest on the Notes to the date of deposit, in the case of Notes that have become due and payable, or to the Stated Maturity or redemption date, as the case may be.

(b) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or shall occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(c) the Company has paid all other sums payable by the Company with respect to the Notes under this Indenture; and

(d) the Company has delivered irrevocable instructions to the Trustee to apply the deposited money toward the payment of the Notes at Stated Maturity or on the redemption date.

In addition, the Company shall have delivered to the Trustee an Officers' Certificate and Opinion of Counsel stating that all conditions precedent relating to the satisfaction and discharge of this Indenture have been satisfied.

Section 11.02. **Deposited Cash and U.S. Government Obligations to be Held in Trust; Other Miscellaneous Provisions**.

Subject to Section 11.03, all cash and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 11.02, the "***Trustee***") pursuant to Section 11.01 hereof in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest but such cash and securities need not be segregated from other funds except to the extent required by law.

Section 11.03. **Repayment to Company**.

Any cash or non-callable U.S. Government Obligations deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium, if any, or interest on, any Note and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder shall thereafter, as an unsecured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such cash and securities, and all liability of the Company as trustee thereof, shall thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in *The New York Times* and *The Wall Street Journal* (national edition), notice that such cash and securities remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification

or publication, any unclaimed balance of such cash and securities then remaining shall be repaid to the Company.

ARTICLE 12.

RESERVED

ARTICLE 13.

MISCELLANEOUS

Section 13.01. **Trust Indenture Act Controls**.

If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA, the provision required by the TIA shall control.

Section 13.02. **Notices**.

Any notice or communication by the Company or the Trustee to the other is duly given if in writing and delivered in person or mailed by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next-day delivery, to the other's address:

If to the Company:

Prestige Brands, Inc.
90 North Broadway
Irvington, NY 10533
Attention: Peter J. Anderson
Telecopier No.: (914) 524-6821

With a copy to:

Alston & Bird LLP
90 Park Avenue
New York, New York 10016
Attention: Mark F. McElreath
Telecopier No.: (212) 210-9494

If to the Trustee:

U.S. Bank National Association
60 Livingston Avenue
St. Paul, Minnesota 55107
Attention: Raymond S. Haverstock
Telecopier No.: (651) 495-8097

The Company or the Trustee, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to the Trustee or Holders) shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if sent by facsimile transmission; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next-day delivery. All notices and communications to the Trustee or Holders shall be deemed duly given and effective only upon receipt.

Any notice or communication to a Holder shall be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next-day delivery to its address shown on the Security Register. Any notice or communication shall also be so mailed to any Person described in TIA § 313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it shall mail a copy to the Trustee and each Agent at the same time.

Section 13.03. **Communication by Holders of Notes with Other Holders of Notes**.

Holders may communicate pursuant to TIA §312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA §312(c).

Section 13.04. **Certificate and Opinion as to Conditions Precedent**.

Upon any request or application by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee:

(a) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 13.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 13.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been complied with.

Section 13.05. **Statements Required in Certificate or Opinion**.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA §314(a)(4)) shall comply with the provisions of TIA §314(e) and shall include:

(a) a statement that the Person making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable such Person to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

With respect to matters of fact, an Opinion of Counsel may rely on an Officers' Certificate, certificates of public officials or reports or opinions of experts.

Section 13.06. **Rules by Trustee and Agents**.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.07. **No Personal Liability of Directors, Officers, Employees and Stockholders**.

No past, present or future director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, shall have any liability for any obligations of the Company or of the Guarantors under the Notes, this Indenture, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver and release may not be effective to waive or release liabilities under the federal securities laws.

Section 13.08. **Governing Law**.

THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE AND THE NOTES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.09. **No Adverse Interpretation of Other Agreements**.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Parent, the Company or their respective Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.10. **Successors**.

All covenants and agreements of the Company and the Guarantors in this Indenture, the Notes and the Guarantees shall bind their respective successors. All covenants and agreements of the Trustee in this Indenture shall bind its successors.

Section 13.11. **Severability**.

In case any provision in this Indenture, the Notes or the Guarantees shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13.12. **Counterpart Originals**.

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

Section 13.13. **Table of Contents, Headings, etc**.

The Table of Contents, Cross-Reference Table and Headings in this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

Section 13.14. **Qualification of This Indenture**.

The Company shall qualify this Indenture under the TIA in accordance with the terms and conditions of any Registration Rights Agreement and shall pay all reasonable costs and expenses (including attorneys' fees and expenses for the Company, the Trustee and the Holders) incurred in connection therewith, including, but not limited to, costs and expenses of qualification of this Indenture and the Notes and printing this Indenture and the Notes. The Trustee shall be entitled to receive from the Company any such Officers' Certificates, Opinions of Counsel or other documentation as it may reasonably request in connection with any such qualification of this Indenture under the TIA.

Section 13.15. **Waiver of Jury Trial.**

EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

[Signatures on following page]

SIGNATURES

Dated as of March 24, 2010

Issuer:

PRESTIGE BRANDS, INC.

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

Guarantors:

PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

Trustee:

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

EXHIBIT A

(Face of Note)

8.25% SENIOR NOTES DUE 2018

CUSIP _____

No._____ $_____

PRESTIGE BRANDS, INC.

promises to pay to CEDE & CO., INC. or registered assigns, the principal sum of _____ Dollars ($_____) on April 1, 2018.

Interest Payment Dates: April 1 and October 1.

Record Dates: March 15 and September 15.

Dated: _____, 2010.

IN WITNESS WHEREOF, the Company has caused this Note to be signed manually or by facsimile by its duly authorized officer.

Prestige Brands, Inc.

By: _____
Name:
Title:

This is one of the [Global]
Notes referred to in the
within-mentioned Indenture:

U.S. Bank National Association,
as Trustee

By: _____
Authorized Signatory

Dated _____, 20__

(Back of Note)

8.25% SENIOR NOTES DUE 2018

[Insert the Global Note Legend, if applicable pursuant to the terms of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the terms of the Indenture]

[Insert the Regulation S Temporary Global Note Legend, if applicable pursuant to the terms of the Indenture]

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. ***Interest***. Prestige Brands, Inc., a Delaware corporation (the "***Company***"), promises to pay interest on the principal amount of this Note at 8.25% per annum until maturity and shall pay Special Interest, if any, as provided in the Registration Rights Agreement. The Company shall pay interest semi-annually on April 1 and October 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "***Interest Payment Date***"). Interest on the Notes shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided*, *however*, that if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided*, *further*, that the first Interest Payment Date shall be October 1, 2010. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Special Interest, if any (without regard to any applicable grace periods), from time to time at the same rate to the extent lawful. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

2. ***Method of Payment***. The Company shall pay interest on the Notes (except defaulted interest) to the Persons in whose name this Note (or one or more Predecessor Notes) is registered at the close of business on the March 15 or September 15 next preceding the Interest Payment Date, even if such Notes are cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes shall be payable as to principal, premium, if any, and interest and Special Interest, if any, at the office or agency of the Company maintained for such purpose, or, at the option of the Company, payment of interest may be made by check mailed to the Holders at their addresses set forth in the Security Register; *provided*, *however*, that payment by wire transfer of immediately available funds shall be required with respect to principal of and interest and Special Interest, if any, and premium, if any, on, all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

3. ***Paying Agent and Registrar***. Initially, U.S. Bank National Association, the Trustee under the Indenture, shall act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

4. ***Indenture***. The Company issued the Notes under an Indenture dated as of March 24, 2010 ("***Indenture***") among the Company, the guarantors party thereto (the "***Guarantors***") and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture

by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbbb). The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are obligations of the Company unlimited in aggregate principal amount.

5. ***Optional Redemption***.

(a) Except as set forth in clauses (b) and (c) of this paragraph 5, the Notes will not be redeemable at the option of the Company prior to April 1, 2014. Starting on that date, the Company may redeem all or any portion of the Notes, at once or over time, after giving the required notice under the Indenture. The Notes may be redeemed at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Special Interest, if any, to the applicable redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant Interest Payment Date), if redeemed during the twelve-month period commencing on April 1 of the years indicated below:

Year	Percentage
2014	104.125%
2015	102.063%
2016 and thereafter	100.000%

(b) At any time and from time to time prior to April 1, 2013, the Company may redeem up to 35% of the original aggregate principal amount of the Notes issued under the Indenture (including the original aggregate principal amount of Additional Notes) at a redemption price (expressed as a percentage of principal amount) equal to 108.250% of the principal amount thereof, plus accrued and unpaid interest and Special Interest, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant Interest Payment Date), with proceeds of one or more Equity Offerings; *provided*, *however*, that after giving effect to any such redemption, at least 65% of the original aggregate principal amount of the Notes initially issued under the Indenture (including Additional Notes, but excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after giving effect to such redemption. Any such redemption shall be made within 90 days after the consummation of such Equity Offering.

(c) At any time prior to April 1, 2014, the Company may redeem all or any portion of the Notes, at once or over time, after giving the required notice under the Indenture at a redemption price equal to the greater of:

(1) 100% of the principal amount of the Notes to be redeemed, and

(2) the sum of the present values of (x) the redemption price of the Notes at April 1, 2014 (as set forth in the preceding paragraph) and (y) the remaining scheduled payments of interest from the redemption date through, April 1, 2014, but excluding accrued and unpaid interest through the redemption date, discounted to the redemption date (assuming a 360 day year consisting of twelve 30 day months), at the Treasury Rate plus 50 basis points, plus, in either case, accrued and unpaid interest, including Special Interest, if any, to but excluding the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

(d) Any prepayment pursuant to this paragraph shall be made pursuant to the provisions of Sections 3.01 through 3.06 of the Indenture.

6. ***Mandatory Redemption***. Except as set forth in Sections 4.12 and 4.18 of the Indenture, the Company shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

7. ***Repurchase at Option of Holder***.

(a) Upon the occurrence of a Change of Control, each Holder shall have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple of $1,000) of such Holder's Notes (a "***Change of Control Offer***") at a purchase price in cash equal to 101% of the aggregate principal amount of the Notes repurchased, plus accrued and unpaid interest and Special Interest, if any, on the Notes repurchased to the purchase date (subject to the right of Holders of record on the relevant record date to receive interest to, but excluding, the purchase date).

(b) If the Parent, the Company or one of their respective Restricted Subsidiaries consummates any Asset Sales, within five business days of the date on which the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall make an offer to repurchase (a "***Prepayment Offer***") pursuant to Section 3.09 of the Indenture to purchase the maximum principal amount of Notes (including any Additional Notes) that may be purchased out of the Allocable Excess Proceeds at a purchase price equal to 100% of the principal amount thereof plus accrued and unpaid interest and Special Interest, if any, to the repurchase date in accordance with the procedures set forth in the Indenture. To the extent that any portion of the amount of Net Available Cash remains after compliance with the preceding sentence and *provided* that all Holders of Notes have been given the opportunity to tender their Notes for repurchase in accordance with the Indenture, the Parent or a Restricted Subsidiary may use such remaining amount for any purpose permitted by the Indenture, and the amount of Excess Proceeds will be reset to zero. Holders of Notes that are the subject of an offer to purchase will receive a Prepayment Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Notes.

8. ***Notice of Redemption***. Notice of redemption shall be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $1,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Notes or portions thereof called for redemption.

9. ***Denominations, Transfer, Exchange***. The Notes are in registered form without coupons in denominations of $2,000 and integral multiples of $1,000. [This Note shall represent the aggregate principal amount of outstanding Notes from time to time endorsed hereon and the aggregate principal amount of Notes represented hereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions.][1] The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

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[1] Include only if a global note.

[This Regulation S Temporary Global Note is exchangeable in whole or in part for one or more Global Notes only (i) on or after the termination of the Distribution Compliance Period and (ii) upon presentation of certificates (accompanied by an Opinion of Counsel, if applicable) required by Article 2 of the Indenture. Upon exchange of this Regulation S Temporary Global Note for one or more Global Notes, the Trustee shall cancel this Regulation S Temporary Global Note.][2]

10. ***Persons Deemed Owners***. The registered Holder of a Note may be treated as its owner for all purposes.

11. ***Amendment, Supplement and Waiver***. Subject to certain exceptions, the Company and the Trustee may amend or supplement the Indenture, the Notes or the Guarantees with the consent of the Holders of at least a majority in aggregate principal amount of the Notes, including Additional Notes, if any, then outstanding voting as a single class (including consents obtained in connection with a purchase of or tender offer or exchange offer for the Notes), and, subject to Sections 6.04 and 6.07 of the Indenture, may waive any existing Default or Event of Default (except a continuing Default or Event of Default in (i) the payment of principal, premium, if any, interest or Special Interest, if any, on the Notes and (ii) in respect of a covenant which under the Indenture cannot be modified or amended without the consent of the Holder of each Note affected by such modification or amendment) or compliance with any provision of the Indenture or the Notes. Without the consent of any Holder, the Company and the Trustee may amend or supplement the Indenture, the Notes or the Guarantees: to cure any ambiguity, omission, defect or inconsistency in any manner that is not adverse in any material respect to any Holder of the Notes; to provide for the assumption by a Surviving Person of the obligations of the Parent or the Company under the Indenture, the Notes and the Guarantees; to provide for uncertificated Notes in addition to or in place of certificated Notes; to add additional Guarantees or additional obligors with respect to the Notes, or release, terminate or discharge Guarantors from Guarantees as permitted by the Indenture; to secure the Notes; to add to the covenants of the Parent and the Company for the benefit of the Holders of the Notes or to surrender any right or power conferred upon the Parent or the Company; to make any change that does not adversely affect the legal rights under the Indenture of any Holders of Notes; to comply with any requirement of the Commission in connection with the qualification of the Indenture under the TIA; to add a co-issuer of the Notes as contemplated by Section 5.01(a)(i) of the Indenture; to provide for the issuance of Additional Notes; and to conform the text of the Indenture or the Notes to any provision of the "Description of the Notes" section of the offering memorandum, dated as of March 10, 2010, relating to the sale of the Initial Notes, to the extent that such provision was intended to be a verbatim recitation of a provision of this Indenture or the Notes.

12. ***Defaults and Remedies***. Each of the following is an Event of Default under the Indenture: failure to make the payment of any interest on the Notes when the same becomes due and payable, and such failure continues for a period of 30 days; failure to make the payment of any principal of, or premium, if any, on, any of the Notes when the same becomes due and payable at its Stated Maturity, upon acceleration, redemption, optional redemption, required repurchase or otherwise; failure to comply with Section 5.01 of the Indenture; failure to comply with any other covenant or agreement in the Notes or in the Indenture (other than a failure that is the subject of the foregoing clauses), and such failure continues for 30 days after written notice is given to the Company by the Trustee or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding specifying such default, demanding that it be remedied and stating that such notice is a "Notice of Default"; a default under any Debt by the Parent or any Restricted Subsidiary that results in acceleration of the maturity of such Debt, or failure to

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[2] To be used for Temporary Regulation S Global Note only.

pay any such Debt at maturity, in an aggregate amount greater than $10.0 million or its foreign currency equivalent at the time; any final judgment or judgments for the payment of money in an aggregate amount in excess of $10.0 million (or its foreign currency equivalent at the time) (net of any amounts that a reputable and creditworthy insurance company shall have acknowledged liability for in writing) that shall be rendered against the Parent or any Restricted Subsidiary and that shall not be waived, satisfied or discharged for any period of 30 consecutive days during which a stay of enforcement shall not be in effect; any Guarantee of the Parent or a Significant Restricted Subsidiary or a group of Restricted Subsidiaries that, taken as a whole, would constitute a Significant Restricted Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Guarantee) or any Guarantor denies or disaffirms its obligations under its Guarantee; and certain events of bankruptcy, insolvency or reorganization affecting the Parent, the Company or any of their respective Significant Restricted Subsidiaries.

If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency described in the Indenture, all outstanding Notes shall become due and payable without further action or notice. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest or Special Interest) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest or Special Interest on, or the principal of, the Notes. The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

13. ***Trustee Dealings with Company***. Subject to certain limitations, the Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee.

14. ***No Recourse Against Others***. No past, present or future director, officer, employee, incorporator or stockholder of the Company or of any Guarantor, as such, shall have any liability for any obligations of the Company or any Guarantor under the Indenture, the Notes, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability.

15. ***Authentication***. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

16. ***Abbreviations***. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. ***Additional Rights of Holders of Restricted Global Notes and Restricted Definitive Notes***. In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes that are Initial Notes shall have all the rights set forth in the Registration Rights Agreement, dated as of March 24, 2010, among the Company, the Guar-

antors and the parties named on the signature pages thereto or, in the case of Additional Notes, Holders of Restricted Global Notes and Restricted Definitive Notes shall have the rights set forth in one or more registration rights agreement, if any, among the Company and the other parties thereto, relating to rights given by the Company to the purchasers of any Additional Notes.

18. ***CUSIP Numbers***. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company shall furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to:

Prestige Brands, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Peter Anderson
Telecopier No.: (914) 524-6821

19. ***Governing Law***. The internal law of the State of New York shall govern and be used to construe this Note without giving effect to applicable principals of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby.

Option of Holder to Elect Purchase

If you want to elect to have this Note purchased by the Company pursuant to Section 4.12 or 4.18 of the Indenture, check the box below:

o Section 4.12

o Section 4.18

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.12 or Section 4.18 of the Indenture, state the amount you elect to have purchased: $_____

Date:_____ Your Signature:_____
(Sign exactly as your name appears on the Note)

Tax Identification No.:
_____

SIGNATURE GUARANTEE:

_____

Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program ("STAMP") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

Assignment Form

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to

(Insert assignee's social security or other tax I.D. no.)

(Print or type assignee's name, address and zip code)

and irrevocably
appoint _____
as agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your
Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature
Guarantee: _____

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized signatory of Trustee or Note Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Prestige Brands, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Peter Anderson
Telecopier No.: (914) 524-6821

U.S. Bank National Association
60 Livingston Avenue
St. Paul, Minnesota 55107
Attention: Raymond S. Haverstock
Telecopier No.: (651) 495-8097

Re: 8.25% Senior Notes due 2018

Reference is hereby made to the Indenture, dated as of March 24, 2010 (the "*Indenture*"), among Prestige Brands, Inc., as issuer (the "*Company*"), the Guarantors party thereto and U.S. Bank National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $_____ in such Note[s] or interests (the "*Transfer*"), to _____ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. o **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Definitive Note Pursuant to Rule 144A**. The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

2. o **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Definitive Note pursuant to Regulation S**. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a desig-

nated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(a) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Distribution Compliance Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

3. o **Check and complete if Transferee will take delivery of a beneficial interest in a Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) o such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) o such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) o such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. o **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**.

(a) o **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) o **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in

the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) o **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) o a beneficial interest in the:

(i) o 144A Global Note (CUSIP _____), or

(ii) o Regulation S Global Note (CUSIP _____), or

(b) o a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE OF (a), (b) OR (c)]

(a) o a beneficial interest in the:

(i) o 144A Global Note (CUSIP _____), or

(ii) o Regulation S Global Note (CUSIP _____), or

(iii) o Unrestricted Global Note (CUSIP _____); or

(b) o a Restricted Definitive Note; or

(c) o an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Prestige Brands, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Peter Anderson
Telecopier No.: (914) 524-6821

U.S. Bank National Association
60 Livingston Avenue
St. Paul, Minnesota 55107
Attention: Raymond S. Haverstock
Telecopier No.: (651) 495-8097

Re: 8.25% Senior Notes due 2018

Reference is hereby made to the Indenture, dated as of March 24, 2010 (the "*Indenture*"), among Prestige Brands, Inc., as issuer (the "*Company*"), the Guarantors party thereto and U.S. Bank National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $_____ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) o **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Note and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) o **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Note and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) o **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) o **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) o **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) o **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CIRCLE ONE] 144A Global Note, Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Definitive Note and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By: _____
Name:
Title:

EXHIBIT E

FORM OF NOTATION OF GUARANTEE

For value received, each Guarantor (which term includes any successor Person under the Indenture), jointly and severally, unconditionally guarantees, to the extent set forth in the Indenture and subject to the provisions in the Indenture, dated as of March 24, 2010 (the "*Indenture*"), among Prestige Brands, Inc., as issuer (the "*Company*"), the Guarantors listed on the signature pages thereto and U.S. Bank National Association, as trustee (the "*Trustee*"), (a) the due and punctual payment of the principal of, premium, if any, and interest and Special Interest, if any, on the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal and premium, if any, and, to the extent permitted by law, interest and Special Interest, if any, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee under the Indenture and all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders of Notes and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article 10 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee. This Guarantee is subject to release as and to the extent set forth in Sections 8.02, 8.03 and 10.05 of the Indenture. Each Holder of a Note, by accepting the same agrees to and shall be bound by such provisions. Capitalized terms used herein and not defined are used herein as so defined in the Indenture.

IN WITNESS WHEREOF, the undersigned has executed this notation of Guarantee on the date first written above, in his capacity as an officer and not in his personal capacity.

Guarantors:

PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY

By: _____
Name:
Title:

Exhibit 4.8

THIRD SUPPLEMENTAL INDENTURE

By and Among

PRESTIGE BRANDS, INC.,
U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE,
AND
PRESTIGE SERVICES CORP.

Dated as of
February 22, 2008

A SUPPLEMENT TO THE INDENTURE
Dated as of April 6, 2004

THIRD SUPPLEMENTAL INDENTURE

THIS THIRD SUPPLEMENTAL INDENTURE (the "Third Supplement") is dated as of February 22, 2008, and made and entered into by and among **PRESTIGE BRANDS, INC.**, a Delaware corporation (the "Company"), **U.S. BANK NATIONAL ASSOCIATION**, a national banking association, as trustee (the "Trustee"), and **PRESTIGE SERVICES CORP.**, a Delaware corporation ("Prestige Services"). Prestige Services has executed this Third Supplement for the purposes set forth in Section 1.1 hereof. This Third Supplement supplements and amends the Indenture, dated as of April 6, 2004 (the "Indenture"), by and among the Company, the Trustee and the Guarantors that are parties thereto, as supplemented and amended by the Supplemental Indenture, dated as of October 6, 2004 (the "First Supplement"), by and among the Company, the Trustee and Vetco, Inc., a New York corporation, and the Second Supplemental Indenture, dated as of December 19, 2006 (the "Second Supplement"), by and among, the Company, the Trustee, Prestige Brands Holdings, Inc., a Delaware corporation, Dental Concepts LLC, a Delaware limited liability company, and Prestige International Holdings, LLC, a Delaware limited liability company, which provided for the issuance of the Company's 9¼% Senior Subordinated Notes Due 2012 (the "Notes"). As used herein, the term "Existing Indenture" shall mean the Indenture, as supplemented and amended by the First Supplement and the Second Supplement, and the term "Amended Indenture" shall mean the Indenture, as supplemented and amended by the First Supplement, the Second Supplement and this Third Supplement and as otherwise supplemented and amended from time to time. Except where specified herein, all capitalized terms not defined herein shall have the meanings ascribed to them in the Amended Indenture. References in this Third Supplement to the exhibits to and the specific sections and articles of the Existing Indenture shall refer to the exhibits to and the numbered sections and articles of the Indenture, as supplemented and amended by the First Supplement and the Second Supplement, and references in this Third Supplement to the exhibits to and the specific sections and articles of the Amended Indenture shall refer to the exhibits to and the numbered sections and articles of the Indenture, as supplemented and amended by the First Supplement, the Second Supplement and this Third Supplement and as otherwise supplemented and amended from time to time.

W I T N E S S E T H :

WHEREAS, Section 9.01 of the Existing Indenture provides, among other things, that the Company and the Trustee may amend or supplement the Existing Indenture to add additional Guarantees or additional obligors with respect to the Notes; and

WHEREAS, Prestige Services, a newly incorporated wholly-owned indirect subsidiary of the Company has agreed to become a Guarantor of the Notes.

NOW, THEREFORE, in consideration of the premises herein, the Company covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective Holders from time to time, as follows:

ARTICLE I
SUPPLEMENTS AND AMENDMENTS

Section 1.1 Guarantee. Prestige Services (which is also referred to herein as the "Additional Guarantor") hereby executes this Third Supplement for the purpose of providing a Guarantee of the Notes and agrees as follows:

(a) Subject to this Section 1.1, the Additional Guarantor hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns: (i) the due and punctual payment of the principal of, premium, if any, and interest on the Notes, subject to any applicable grace period, whether at Stated Maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on the overdue principal of and premium, if any, and, to the extent permitted by law, interest, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee under the Amended Indenture, the Registration Rights Agreement or any other agreement with or for the benefit of the Holders or the Trustee, all in accordance with the terms hereof and thereof; and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration pursuant to Section 6.02 of the Amended Indenture, redemption or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Additional Guarantor shall be jointly and severally obligated with all other Guarantors to pay the same immediately. The Additional Guarantor agrees that this is a guarantee of payment and not a guarantee of collection. The Additional Guarantor hereby agrees that its obligations with regard to its Guarantee shall be joint and several with all other Guarantors, unconditional, irrespective of the validity or enforceability of the Notes or the obligations of the Company under the Amended Indenture, the absence of any action to enforce the same, the recovery of any judgment against the Company or any other obligor with respect to the Amended Indenture, the Notes or the Obligations of the Company under the Amended Indenture or the Notes, any action to enforce the same or any other circumstances (other than complete performance) which might otherwise constitute a legal or equitable discharge or defense of the Additional Guarantor. The Additional Guarantor further, to the extent permitted by law, waives and relinquishes all claims, rights and remedies accorded by applicable law to guarantors and agrees not to assert or take advantage of any such claims, rights or remedies, including but not limited to:

(i) any right to require any of the Trustee, the Holders or the Company (each a "Benefited Party"), as a condition of payment or performance by such Additional Guarantor, to (1) proceed against the Company, any other guarantor (including any other Guarantor) of the Obligations under the Guarantees or any other Person, (2) proceed against or exhaust any security held from the Company, any such other guarantor or any other Person, (3) proceed

against or have resort to any balance of any deposit account or credit on the books of any Benefited Party in favor of the Company or any other Person, or (4) pursue any other remedy in the power of any Benefited Party whatsoever;

(ii) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of the Company including any defense based on or arising out of the lack of validity or the unenforceability of the Obligations under the Guarantees or any agreement or instrument relating thereto or by reason of the cessation of the liability of the Company from any cause other than payment in full of the Obligations under the Guarantees;

(iii) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal;

(iv) any defense based upon any Benefited Party's errors or omissions in the administration of the Obligations under the Guarantees, except behavior which amounts to bad faith;

(v)(1) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of the Guarantees and any legal or equitable discharge of such Additional Guarantor's obligations hereunder, (2) the benefit of any statute of limitations affecting such Additional Guarantor's liability hereunder or the enforcement hereof, (3) any rights to set-offs, recoupments and counterclaims and (4) promptness, diligence and any requirement that any Benefited Party protect, secure, perfect or insure any security interest or lien or any property subject thereto;

(vi) notices, demands, presentations, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance of the Guarantees, notices of Default under the Notes or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Obligations under the Guarantees or any agreement related thereto, and notices of any extension of credit to the Company and any right to consent to any thereof;

(vii) to the extent permitted under applicable law, the benefits of any "One Action" rule; and

(viii) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms of the Guarantees. Except to the extent expressly provided in this Third Supplement and the Amended Indenture, including Sections 8.02, 8.03 and 10.05 of the Amended Indenture and Section 1.1(f) hereof, the Additional Guarantor hereby covenants that its Guarantee shall not be discharged except by complete performance of the obligations contained in its Guarantee, this Third Supplement and the Amended Indenture.

If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid to either the Trustee or such Holder, the Additional Guarantor's Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect. The Additional Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. The Additional Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Section 6.02 of the Amended Indenture for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (y) in the event of any declaration of acceleration of such obligations as provided in Section 6.02 of the Amended Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of the Guarantees. The Additional Guarantor shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantees. The other Guarantors' shares of such contribution payment will be computed based on the proportion that the net worth of the relevant Guarantor represents relative to the aggregate net worth of all of the Guarantors combined.

(b) The Additional Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Additional Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Additional Guarantor hereby irrevocably agree that the Additional Guarantor's liability shall be that amount from time to time equal to the aggregate liability of such Additional Guarantor under its Guarantee, but shall be limited to the lesser of (i) the aggregate amount of the Company's obligations under the Notes and the Amended Indenture or (ii) the amount, if any, which would not have (1) rendered the Additional Guarantor "insolvent" (as such term is defined in Bankruptcy Law and in the Debtor and Creditor Law of the State of New York) or (2) left it with unreasonably small capital at the time its Guarantee with respect to the Notes was entered into, after giving effect to the incurrence of existing Debt immediately before such time; *provided*, *however*, it shall be a presumption in any lawsuit or proceeding in which the Additional Guarantor is a party that the amount guaranteed pursuant to its Guarantee with respect to the Notes is the amount described in clause (i) of this Section 1.1(b) unless any creditor, or representative of creditors of the Additional Guarantor, or debtor in possession or trustee in bankruptcy of the Additional Guarantor, otherwise proves in a lawsuit that the aggregate liability of the

Additional Guarantor is limited to the amount described in clause (ii) of this Section 1.1(b).

(c) In making any determination as to the solvency or sufficiency of capital of the Additional Guarantor in accordance with Section 1.1(b) hereof and this Section 1.1(c), the right of the Additional Guarantor to contribution from other Guarantors and any other rights such Additional Guarantor may have, contractual or otherwise, shall be taken into account.

(d) To evidence its Guarantee set forth in Section 1.1(a) hereof, the Additional Guarantor hereby agrees that a notation of such Guarantee in substantially the form included in Exhibit E attached to the Amended Indenture shall be endorsed by an Officer of such Additional Guarantor on each Note authenticated and delivered by the Trustee and that this Third Supplement shall be executed on behalf of such Additional Guarantor by its President, Chief Financial Officer, Treasurer or one of its Vice Presidents. The Additional Guarantor hereby agrees that its Guarantee set forth in Section 1.1(a) hereof shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee. If an Officer whose signature is on this Third Supplement or on a Guarantee no longer holds that office at the time the Trustee authenticates the Note on which such Guarantee is endorsed, the Guarantee shall be valid nevertheless. The delivery of any Note by the Trustee, after the authentication thereof under the Amended Indenture, shall constitute due delivery of the Guarantee set forth in this Third Supplement on behalf of the Additional Guarantor.

(e) Except as otherwise provided in Section 1.1(f) hereof, the Additional Guarantor may not consolidate with or merge with or into (whether or not such Additional Guarantor is the Surviving Person) another Person whether or not affiliated with such Additional Guarantor unless:

(i) subject to Section 1.1(f) hereof, the Person formed by or surviving any such consolidation or merger (if other than a Guarantor or the Company) unconditionally assumes all the obligations of such Additional Guarantor, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee, under the Amended Indenture, its Guarantee and any Registration Rights Agreements on the terms set forth herein or therein; and

(ii) the Additional Guarantor complies with the requirements of Article 5 of the Amended Indenture.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of such Additional Guarantor's Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of the Amended Indenture to

be performed by the Additional Guarantor, such successor Person shall succeed to and be substituted for the Additional Guarantor with the same effect as if it had been named in the Amended Indenture as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Guarantees to be endorsed upon all of the Notes issuable under the Amended Indenture which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Guarantees so issued shall in all respects have the same legal rank and benefit under the Amended Indenture as the Guarantees theretofore and thereafter issued in accordance with the terms of the Amended Indenture as though all of such Guarantees had been issued at the date of the execution of the Indenture. Except as set forth in Articles 4 and 5 of the Amended Indenture, and notwithstanding clauses (i) and (ii) of this Section 1.1(e), nothing contained in the Amended Indenture or in any of the Notes shall prevent any consolidation or merger of the Additional Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of the Additional Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

(f) In the event of a sale or other disposition of all or substantially all of the assets of the Additional Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all of the Capital Stock of the Additional Guarantor, in each case to a Person that is not (either before or after giving effect to such transactions) a Subsidiary of the Parent, then such Additional Guarantor (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the Capital Stock of such Additional Guarantor) or the corporation acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Additional Guarantor) shall be released and relieved of any obligations under its Guarantee; provided that the net proceeds of such sale or other disposition shall be applied in accordance with the applicable provisions of the Amended Indenture, including without limitation Section 4.12 of the Amended Indenture. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary in accordance with the provisions of Section 4.17 of the Amended Indenture, such Subsidiary shall be released and relieved of any obligations under its Guarantee. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company or the Parent in accordance with the provisions of the Amended Indenture, including without limitation Section 4.12 of the Amended Indenture, the Trustee shall execute any documents reasonably required in order to evidence the release of the Additional Guarantor from its obligations under its Guarantee. Until released from its obligations under its Guarantee, the Additional Guarantor shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of any Guarantor under the Amended Indenture as provided in Article 10 of the Amended Indenture and this Section 1.1.

The Additional Guarantor shall constitute a Guarantor for purposes of the Amended Indenture, and the terms of this Section 1.1 shall, as to the Additional Guarantor, constitute its Guarantee for purposes of the Amended Indenture. Notwithstanding the

foregoing terms of this Section 1.1, the Additional Guarantor intends by its execution of this Third Supplement to provide its Guarantee on the same terms and conditions as the Guarantees of the other Guarantors under the Amended Indenture and agrees that this Section 1.1 shall be construed and enforced in a manner consistent with such intention.

ARTICLE II
MISCELLANEOUS PROVISIONS

Section 2.1 Execution as Supplemental Indenture. This Third Supplement is executed and shall be construed as an indenture supplement to the Existing Indenture.

Section 2.2 Successors. This Third Supplement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

Section 2.3 Ratification. Except as expressly provided herein, all of the terms and provisions of the Existing Indenture are and shall remain in full force and effect.

Section 2.4 Governing Law. This Third Supplement shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be construed in accordance with the laws of said State.

Section 2.5 Counterparts; Construction. This Third Supplement may be executed in any number of counterparts, each of which shall be an original, but such counterparts together shall constitute one and the same instrument. As used herein, words in the singular include the plural and words in the plural include the singular.

Section 2.6 The Trustee. The Trustee accepts the supplements and amendments to the Existing Indenture effected by this Third Supplement.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplement to be duly executed as of the day and year first above written.

PRESTIGE BRANDS, INC.

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Treasurer

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

PRESTIGE SERVICES CORP.

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer and Treasurer

Exhibit 4.9

FOURTH SUPPLEMENTAL INDENTURE

By and Among

PRESTIGE BRANDS, INC., as Issuer

THE GUARANTORS PARTY HERETO

AND

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE,

Dated as of
March 24, 2010

A SUPPLEMENT TO THE INDENTURE
Dated as of April 6, 2004

FOURTH SUPPLEMENTAL INDENTURE

THIS FOURTH SUPPLEMENTAL INDENTURE (the "Fourth Supplement") is dated as of March 24, 2010, and made and entered into by and among **PRESTIGE BRANDS, INC.,** a Delaware corporation (the "Company"), the Guarantors party hereto and **U.S. BANK NATIONAL ASSOCIATION,** a national banking association, as trustee (the "Trustee"). This Fourth Supplement supplements and amends the Indenture, dated as of April 6, 2004 (the "Indenture"), by and among the Company, the Trustee and the Guarantors that are parties thereto, as supplemented and amended by the Supplemental Indenture, dated as of October 6, 2004 (the "First Supplement"), the Second Supplemental Indenture dated as of December 19, 2006 (the "Second Supplement") and the Third Supplemental Indenture dated as of February 22, 2008 (the "Third Supplement"), which provided for the issuance of the Company's 9¼% Senior Subordinated Notes Due 2012 (the "Notes"). As used herein, the term "Existing Indenture" shall mean the Indenture, as supplemented and amended by the First Supplement, the Second Supplement and the Third Supplement, and the term "Amended Indenture" shall mean the Indenture, as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement and this Fourth Supplement and as otherwise supplemented and amended from time to time. Except where specified herein, all capitalized terms not defined herein shall have the meanings ascribed to them in the Amended Indenture. References in this Fourth Supplement to the exhibits to and the specific sections and articles of the Existing Indenture shall refer to the exhibits to and the numbered sections and articles of the Indenture, as supplemented and amended by the First Supplement, the Second Supplement, and the Third Supplement and references in this Fourth Supplement to the exhibits to and the specific sections and articles of the Amended Indenture shall refer to the exhibits to and the numbered sections and articles of the Indenture, as supplemented and amended by the First Supplement, the Second Supplement, the Third Supplement, this Fourth Supplement and as otherwise supplemented and amended from time to time.

W I T N E S S E T H :

WHEREAS, the Company has offered to purchase any and all of the Notes (the "Offer") and has solicited consents (the "Solicitation") to certain amendments to the Existing Indenture pursuant to the Company's Offer to Purchase and Consent Solicitation Statement dated March 10, 2010; and

WHEREAS, Section 9.02 of the Existing Indenture provides that the Company, when authorized by a Board Resolution, and the Trustee may amend or supplement the Existing Indenture with the consent of the Holders of at least a majority in aggregate principal amount of the Notes;

WHEREAS, in accordance with Section 9.02 of the Existing Indenture, the Company has obtained the consent to the proposed amendments to the Existing Indenture from the Holders of at least a majority in the aggregate principal amount of the Notes; and

WHEREAS, the Company is authorized to enter into this Fourth Supplement by a Board Resolution and the Trustee has received an Opinion of Counsel and an Officer's Certificate stating that the execution of this Fourth Supplement is permitted by the Existing Indenture and otherwise satisfying the requirements of Section 9.06 of the Indenture;

NOW, THEREFORE, in consideration of the premises herein, it is mutually covenanted and agreed, for the equal and proportionate benefit of the respective Holders from time to time, as follows:

ARTICLE I
SUPPLEMENTS AND AMENDMENTS

At such time as the Company delivers written notice to the Trustee and The Depository Trust Company, in its capacity as the depository for the Notes with respect to the Offer that the Notes representing at least a majority in the aggregate principal amount of the Notes have been validly tendered and not validly withdrawn pursuant to the Offer and accepted for purchase:

Section 1.1 Amendment to Definition of Asset Sale. The definition of "Asset Sale" in Section 1.01 of the Existing Indenture shall be amended by deleting the text of such definition in its entirety and replacing it with the following text:

"'*Asset Sale*' means any sale, lease, transfer, issuance or other disposition (or series of related sales, leases, transfers, issuances or dispositions) by the Parent, the Company or any of their respective Restricted Subsidiaries, including any disposition by means of a merger, consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition"), of

(a) any shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares), or

(b) any other Property of the Parent or any Restricted Subsidiary outside of the ordinary course of business of the Parent or such Restricted Subsidiary,

other than, in the case of clause (a) or (b) above,

(1) any disposition by a Restricted Subsidiary to the Parent or by the Parent or a Restricted Subsidiary to a Wholly-Owned Restricted Subsidiary;

(2) any disposition that constitutes a Permitted Investment or Restricted Payment permitted by Section 4.10 as such Section was in effect immediately prior to the effective date of the amendments described herein;

(3) any disposition effected in compliance with Section 5.01(a) as such Section was in effect immediately prior to the effective date of the amendments described herein;

(4) any disposition in a single transaction or a series of related transactions of Property for aggregate consideration of less than $1.0 million;

(5) the disposition of cash or Cash Equivalents;

(6) the disposition of accounts receivable and related assets (including contract rights) to a Securitization Subsidiary in connection with a Permitted Receivables Financing;

(7) any foreclosure upon any assets of the Parent, the Company or any of their respective Restricted Subsidiaries in connection with the exercise of remedies by a secured lender pursuant to the terms of Debt otherwise permitted to be incurred under this Indenture; and

(8) the sale of the Capital Stock, Debt or other securities of an Unrestricted Subsidiary."

Section 1.2 Amendment to Definition of Debt. The definition of "Debt" in Section 1.01 of the Existing Indenture shall be amended by deleting the final paragraph of such definition in its entirety and replacing it with the following:

"The amount of Debt of any Person at any date shall be the outstanding balance, or the accreted value of such Debt in the case of Debt issued with original issue discount, at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date. The amount of Debt represented by a Hedging Obligation shall be equal to:

(1) zero if such Hedging Obligation is:

(A) Debt of the Parent or any Restricted Subsidiary under Interest Rate Agreements entered into for the purpose of fixing, hedging or swapping interest rate risk in the ordinary course of the financial management of the Parent or such Restricted Subsidiary and not for speculative purposes;

(B) Debt of the Parent or any Restricted Subsidiary under Currency Exchange Protection Agreements entered into for the purpose of fixing, hedging or swapping currency exchange rate risks directly related to transactions entered into by the Parent or such Restricted Subsidiary in the ordinary course of business and not for speculative purposes; or.

(C) Debt of the Parent or any Restricted Subsidiary under Commodity Price Protection Agreements entered into in the ordinary course of the financial management of the Parent or such Restricted Subsidiary and not for speculative purposes; or

(2) the notional amount of such Hedging Obligation if not Incurred pursuant to the foregoing clause (1)."

Section 1.3 Amendment to Section 3.01. Section 3.01 of the Existing Indenture shall be amended by deleting the text in its entirety and replacing with the following text:

"*Section 3.01.* Notices to Trustee.

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it shall furnish to the Trustee, at least 3 Business Days but not more than 60 days before a redemption date (or such shorter period as allowed by the Trustee), an Officers' Certificate setting forth (a) the applicable section of this Indenture pursuant to which the redemption shall occur, (b) the redemption date, (c) the principal amount of Notes to be redeemed and (d) the redemption price."

Section 1.4 Amendment to Section 3.03. Section 3.03 of the Existing Indenture shall be amended by deleting the first paragraph of Section 3.03 of the Existing Indenture in its entirety and replacing it with the following text:

"At least 3 Business Days but not more than 60 days prior to a redemption date, the Company shall mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at such Holder's registered address appearing in the Security Register."

Section 1.5 Amendment to Section 4.03 Section 4.03 of the Existing Indenture shall be amended by deleting the text in its entirety and replacing with the following text:

"*Section 4.03.* Reports.

Prestige Brands Holdings, Inc. will comply with the provisions of TIA Section 314(a)."

Section 1.6 Amendment to Section 4.04. Section 4.04 of the Existing Indenture shall be amended by deleting the text in its entirety and replacing with the following text:

"*Section 4.04.* Compliance Certificate.

(a) The Company shall deliver to the Trustee not less often than annually, an Officer's Certificate stating that as to each such Officer's knowledge, the Company has complied with, and is not in default in the performance of observance of, the conditions and covenants under this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto).

(b) The Company shall deliver to the Trustee, within 30 days after the occurrence thereof, written notice in the form of an Officers' Certificate of any event that with the giving of notice and/or the lapse of time would become an Event of Default, its status and what action the Company is taking or proposes to take with respect thereto."

Section 1.7 Amendment to Section 4.12. Section 4.12 of the Existing Indenture shall be amended by deleting the text in its entirety and replacing with the following text:

"*Section 4.12*. Asset Sales.

(a) The Net Available Cash (or any portion thereof) from Asset Sales may be applied by the Parent, the Company or a Restricted Subsidiary, to the extent the Parent, the Company or such Restricted Subsidiary elects (or is required by the terms of any Debt):

(i) to Repay Senior Debt of the Company or any Restricted Subsidiary (excluding, in any such case, any Debt owed to the Parent, the Company or an Affiliate of the Parent or the Company); or

(ii) to reinvest in Additional Assets (including by means of an Investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by the Parent, the Company or Restricted Subsidiary).

(b) Pending the final application of any such Net Available Cash, the Company may temporarily reduce revolving credit borrowings or otherwise invest such Net Available Cash in any manner that is not prohibited by this Indenture.

(c) Any Net Available Cash from an Asset Sale not applied in accordance with the preceding paragraph within 365 days from the date of the receipt of such Net Available Cash or that is not segregated from the general funds of the Company for investment in identified Additional Assets in respect of a project that shall have been commenced, and for which binding contractual commitments have been entered into, prior to the end of such 365-day period and that shall not have been completed or abandoned shall constitute "Excess Proceeds;" *provided*, *however*, that the amount of any Net Available Cash that ceases to be so segregated as contemplated above and any Net Available Cash that is segregated in respect of a project that is abandoned or completed shall also constitute "Excess Proceeds" at the time any such Net Available Cash ceases to be so segregated or at the time the relevant project is so abandoned or completed, as applicable; *provided*, *further, however,* that the amount of any Net Available Cash that continues to be segregated for investment in identified Additional Assets and that is not actually so invested within twelve months from the date of the receipt of such Net Available Cash shall also constitute "Excess Proceeds."

When the aggregate amount of Excess Proceeds exceeds $10.0 million (taking into account income earned on such Excess Proceeds, if any), the Company will be required to make an offer to repurchase (the "Prepayment Offer") the Notes within five Business Days after the Company becomes obligated to do so, which offer shall be in the amount of the Allocable Excess Proceeds (rounded to the nearest $1,000), on a *pro rata* basis according to principal amount, at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, including Special Interest, if any, to the repurchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance

with the procedures (including prorating in the event of oversubscription) set forth in Section 3.09. To the extent that any portion of the amount of Net Available Cash remains after compliance with the preceding sentence and *provided* that all holders of Notes have been given the opportunity to tender their Notes for repurchase in accordance with this Indenture, the Parent, the Company or such Restricted Subsidiary may use such remaining amount for any purpose permitted by this Indenture, and the amount of Excess Proceeds will be reset to zero.

The term "Allocable Excess Proceeds" shall mean the product of:

(a) the Excess Proceeds and

(b) a fraction,

(1) the numerator of which is the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer, and

(2) the denominator of which is the sum of the aggregate principal amount of the Notes outstanding on the date of the Prepayment Offer and the aggregate principal amount of other Debt of the Company outstanding on the date of the Prepayment Offer that is *pari passu* in right of payment with the Notes and subject to terms and conditions in respect of Asset Sales similar in all material respects to this Section 4.12 and requiring the Company to make an offer to repurchase such Debt at substantially the same time as the Prepayment Offer.

(d) The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this Section 4.12. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section 4.12, the Company shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.12 by virtue thereof."

Section 1.8 Amendment to Section 4.17. Section 4.17 of the Existing Indenture shall be amended by deleting the text in its entirety and replacing with the following text:

"*Section 4.17.* Designation of Restricted and Unrestricted Subsidiaries.

(a) The Board of Directors of the Company may designate any of its Subsidiaries to be an Unrestricted Subsidiary if the Parent or a Restricted Subsidiary, as the case may be, is permitted to make such Investment in such Subsidiary and such Subsidiary:

(i) does not own any Capital Stock or Debt of, or own or hold any Lien on any Property of, the Parent or any Restricted Subsidiary;

(ii) has no Debt other than Non-Recourse Debt; *provided*, *however*, that the Parent or a Restricted Subsidiary may loan, advance, extend credit to, or guarantee the Debt of an Unrestricted Subsidiary at any time at or after such Subsidiary is designated as an Unrestricted Subsidiary;

(iii) except as would be permitted by Section 4.14 as such Section was in effect immediately prior to the effective date of the amendments described herein, is not party to any agreement, contract, arrangement or understanding with the Parent or any Restricted Subsidiaries unless the terms of any such agreement, contract, arrangement or understanding are no less favorable, taken as a whole, to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent or the Company;

(iv) is a Person with respect to which neither the Parent nor any Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Capital Stock or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(v) has not Guaranteed or otherwise directly or indirectly provided credit support in the form of Debt for any Debt of the Parent or its Restricted Subsidiaries.

(b) Unless so designated as an Unrestricted Subsidiary, any Person that becomes a Subsidiary of the Parent will be classified as a Restricted Subsidiary; *provided*, *however*, that such Subsidiary shall not be designated a Restricted Subsidiary and shall be automatically classified as an Unrestricted Subsidiary if either of the requirements set forth in subparagraphs (i) and (ii) of clause (d) below will not be satisfied after giving pro forma effect to such classification or if such Person is a Subsidiary of an Unrestricted Subsidiary.

(c) Except as provided in the first sentence of clause (b), no Restricted Subsidiary may be redesignated as an Unrestricted Subsidiary, and neither the Parent nor any Restricted Subsidiary shall at any time be directly or indirectly liable for any Debt that provides that the holder thereof may (with the passage of time or notice or both) declare a default thereon or cause the payment thereof to be accelerated or payable prior to its Stated Maturity upon the occurrence of a default with respect to any Debt, Lien or other obligation of any Unrestricted Subsidiary (including any right to take enforcement action against such Unrestricted Subsidiary).

Upon designation of a Restricted Subsidiary as an Unrestricted Subsidiary in compliance with this Section 4.17, such Restricted Subsidiary shall, by execution and delivery of a supplemental indenture in form satisfactory to the Trustee, be released from any Guarantee previously made by such Restricted Subsidiary.

(d) The Board of Directors of the Company may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if, immediately after giving pro forma effect to such designation no Default or Event of Default shall have occurred and be continuing or would result therefrom.

Any such designation or redesignation by the Board of Directors will be evidenced to the Trustee by filing with the Trustee a Board Resolution giving effect to such designation or redesignation and an Officers' Certificate that:

(i) certifies that such designation or redesignation complies with the foregoing provisions, and

(ii) gives the effective date of such designation or redesignation;

such filing with the Trustee to occur within 45 days after the end of the fiscal quarter of the Company in which such designation or redesignation is made (or, in the case of a designation or redesignation made during the last fiscal quarter of the Company's fiscal year, within 90 days after the end of such fiscal year)."

Section 1.9 Amendments to Certain Other Covenants. The following Sections of the Existing Indenture, and any corresponding provision in the Notes, shall be deleted in their entirety and replaced with "Intentionally Omitted," and all references made thereto throughout the Existing Indenture and the Notes shall be deleted in their entirety:

(a)	Section 4.05	Taxes.
(b)	Section 4.06	Stay, Extension and Usury Laws.
(c)	Section 4.07	Corporate Existence.
(d)	Section 4.09	Incurrence of Additional Debt.
(e)	Section 4.10	Restricted Payments.
(f)	Section 4.11	Liens
(g)	Section 4.13	Restrictions on Distributions from Restricted Subsidiaries.
(h)	Section 4.14	Affiliate Transactions.
(i)	Section 4.15	Issuance or Sale of Capital Stock of Restricted Subsidiaries.
(j)	Section 4.16	Limitation on Layered Debt.
(k)	Section 5.01	Merger, Consolidation and Sale of Assets.

Section 1.10 Amendments to Events of Default. Clauses (c), (d), (e) and (f) of Section 6.01 of the Existing Indenture and any corresponding provisions in the Notes, shall be deleted in their entirety and replaced with "Intentionally Omitted," and all references made thereto throughout

the Existing Indenture and the Notes shall be deleted in their entirety.

Section 1.11 Effects of Amendments. All references made to a provision of the Existing Indenture or the Notes deleted pursuant to the amendments set forth in Sections 1.1 through 1.10 of this Article I shall be deleted in their entirety from the Existing Indenture and the Notes, and any definitions used exclusively in the provisions of the Existing Indenture deleted pursuant to the amendments set forth in Sections 1.1 through 1.10 of this Article I shall be deleted in their entirety from the Existing Indenture. The applicable provisions of the Notes, including, without limitation, Section 12 thereof, shall be deemed amended to reflect the amendments to the corresponding provisions of the Existing Indenture that are amended pursuant to Sections 1.1 through 1.10 of this Article I.

ARTICLE II
MISCELLANEOUS PROVISIONS

Section 2.1 Execution as Supplemental Indenture. This Fourth Supplement is executed and shall be construed as an indenture supplement to the Existing Indenture.

Section 2.2 Successors. This Fourth Supplement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns.

Section 2.3 Ratification. Except as expressly provided herein, all of the terms and provisions of the Existing Indenture are and shall remain in full force and effect.

Section 2.4 Governing Law. This Fourth Supplement shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be construed in accordance with the laws of said State.

Section 2.5 Counterparts; Construction. This Fourth Supplement may be executed in any number of counterparts (which may be transmitted by telecopy or as delivered by email in pdf format), but such counterparts together shall constitute one and the same instrument. As used herein, words in the singular number include the plural and words in the plural include the singular.

Section 2.6 Severability. In the event that any provisions of this Fourth Supplement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hall not in any way be affected or impaired thereby.

Section 2.7 Trust Indenture Act. If any provisions hereof limit, qualify, or conflict with any provisions of the TIA required under the TIA to be part of and govern this Fourth Supplement or the Amended Indenture, the provision of the TIA shall control. If any provision hereof modifies or excludes any provision of the TIA that pursuant to the TIA may be so modified or excluded, the provisions of the TIA as so modified or excluded hereby shall apply.

Section 2.8 The Trustee. The Trustee accepts the supplements and amendments to the Existing Indenture effected by this Fourth Supplement.

Section 2.9 Effectiveness. This Fourth Supplement shall become effective upon execution by the Company, the Guarantors party hereto, and the Trustee, provided, however, that

the amendments and modifications set forth in Article I hereof shall not become effective until such time as the Company delivers written notice to the Trustee and The Depository Trust Company, in its capacity as the depository for the Notes with respect to the Offer that the Notes representing at least a majority in the aggregate principal amount of the Notes have been validly tendered and not validly withdrawn pursuant to the Offer and accepted for purchase.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplement to be duly executed as of the day and year first above written.

PRESTIGE BRANDS, INC.

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: /s/ Raymond S. Haverstock
Name: Raymond S. Haverstock
Title: Vice President

GUARANTORS:

PRESTIGE BRANDS HOLDINGS, INC.

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

Exhibit 10.1

EXECUTION VERSION

Published CUSIP Number 74111UAA2

$180,000,000

CREDIT AGREEMENT

Dated as of March 24, 2010

among

PRESTIGE BRANDS, INC.,
as Borrower

PRESTIGE BRANDS HOLDINGS, INC.,
as Parent

and

THE LENDERS AND ISSUERS PARTY HERETO

and

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

and

DEUTSCHE BANK SECURITIES INC.,
as Syndication Agent

BANC OF AMERICA SECURITIES LLC

and

DEUTSCHE BANK SECURITIES INC.
Joint Lead Arrangers and Joint Book-Running Managers

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Credit Agreement, dated as of March 24, 2010, among Prestige Brands, Inc., a Delaware corporation (the "*Borrower*"), Prestige Brands Holdings, Inc., a Delaware corporation (the "*Parent*"), the Lenders (as defined below), the Issuers (as defined below), Bank of America, N.A. ("*Bank of America*"), as administrative agent for the Lenders and the Issuers and collateral agent for the Secured Parties (in such capacities, the "*Administrative Agent*"), and Deutsche Bank Securities Inc., as syndication agent (in such capacity, the "*Syndication Agent*").

Witnesseth:

Whereas, the Borrower has commenced a tender offer to purchase any and all of its 9.250% Senior Subordinated Notes due 2012 (the "*Existing Senior Subordinated Notes*") governed by the terms of that certain Indenture, dated as of April 6, 2004, between the Borrower, certain other Loan Parties and U.S. Bank National Association, as trustee, (the "*Existing Senior Subordinated Notes Trustee*") with such tender offer not scheduled to expire until after the Closing Date;

Whereas, the Borrower will, on the Closing Date, (i) repay in full all borrowings and terminate all commitments under the Existing Credit Agreement, (ii) issue Senior Notes in the aggregate principal amount of $150,000,000, (iii) make the initial Borrowings under this Agreement and (iv) pay all fees, commissions and expenses in connection with each of the foregoing;

Whereas, the Borrower has requested that the Lenders and Issuers make available for the purposes specified in this Agreement, a term loan, revolving credit and letter of credit facilities; and

Whereas, the Lenders and Issuers are willing to make available to the Borrower such term loan, revolving credit and letter of credit facilities upon the terms and subject to the conditions set forth herein.

Now, Therefore, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I

Definitions, Interpretation and Accounting Terms

Section 1.1 Defined Terms

As used in this Agreement, the following terms have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"*Acceptable Price*" has the meaning specified in *Section 2.8(c)(iii) (Optional Prepayments)*.

"*Acceptance Date*" has the meaning specified in *Section 2.8(c)(ii) (Optional Prepayments)*.

"*Additional Permitted Debt*" means unsecured Indebtedness of the Borrower that (a) is junior to or pari passu with the Senior Notes, (b) bears interest and provides for the payment of fees on terms and conditions not significantly less favorable to any Loan Party from those offered to similarly situated borrowers in the marketplace for similar facilities, (c) has a maturity not earlier and an average life to maturity not less than that of the Senior Notes (calculated at the time of incurrence of such Indebtedness), (d) does not conflict with the mandatory prepayment requirements provided hereunder and (e) is

otherwise on terms and conditions that, taken as a whole, are materially not less favorable to the Loan Parties and the interests of the Administrative Agent, the Syndication Agent or any of the Lenders, Issuers or other Secured Parties under the Loan Documents than those of the Senior Notes and the Senior Notes Documents.

"*Additional Permitted Debt Document*" means any note, indenture or credit agreement governing the issuance or setting forth the terms of any Additional Permitted Debt and any other agreement, certificate, power of attorney, or document related to any of the foregoing.

"*Additional Permitted Debt Notice*" means a written notice executed by a Responsible Officer of the Parent with respect to the incurrence of Additional Permitted Debt stating that (a) no Event of Default has occurred and is continuing and (b) the Parent (directly or indirectly through one of its Subsidiaries) intends and expects to use all (or an amount identified in such notice) of the proceeds of such Additional Permitted Debt substantially contemporaneously with the issuance of such Additional Permitted Debt as part of the consideration to be paid for a Permitted Acquisition identified therein.

"*Administrative Agent*" has the meaning specified in the preamble to this Agreement.

"*Administrative Agent's Office*" means the Administrative Agent's address and, as appropriate, account as set forth in *Section 11.8 (Notices, Etc.)*, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

"*Affected Lender*" has the meaning specified in *Section 2.17 (Substitution of Lenders)*.

"*Affiliate*" means, with respect to any Person, any other Person directly or indirectly controlling or that is controlled by or is under common control with such Person. For the purposes of this definition, "*control*" means the possession of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"*Affiliated Lender*" means any Lender who is or becomes an Affiliate of the Parent; *provided* that no Purchasing Borrower Party shall be deemed to be an Affiliated Lender.

"*Affiliated Lender Assignment and Acceptance*" has the meaning specified in *Section 11.2(k) (Assignments and Participations)*.

"*Agent*" means each of the Administrative Agent, the Syndication Agent and each Arranger.

"*Agent Affiliate*" has the meaning specified in *Section 11.5(b) (Limitation of Liability)*.

"*Agreement*" means this Credit Agreement.

"*Alternative Currency*" means any lawful currency (other than Dollars) that is readily transferable into Dollars.

"*Anti-Terrorism Law*" has the meaning specified in *Section 4.1(b) (Corporate Existence; Compliance with Law)*.

"*Anti-Terrorism Order*" has the meaning specified in *Section 4.1(b) (Corporate Existence; Compliance with Law)*.

"*Applicable Discount*" has the meaning specified in *Section 2.8(c)(iii) (Optional Prepayments)*.

"*Applicable Lending Office*" means, with respect to each Lender, its Domestic Lending Office in the case of a Base Rate Loan, and its Eurodollar Lending Office in the case of a Eurodollar Rate Loan.

"*Applicable Margin*" means the following:

(a) with respect to (i) Term Loans maintained as Base Rate Loans, a rate equal to 2.25% per annum and (ii) Term Loans maintained as Eurodollar Rate Loans, a rate equal to 3.25% per annum; and

(b) (i) during the period from the Closing Date until the first date after the Closing Date on which Financial Statements pursuant to *Section 6.1(b) (Financial Statements)* are delivered hereunder, with respect to (A) Revolving Loans and Swing Loans maintained as Base Rate Loans, a rate equal to 2.25% per annum and (B) Revolving Loans maintained as Eurodollar Rate Loans, a rate equal to 3.25% per annum and (ii) thereafter, as of any date of determination, a per annum rate equal to the rate set forth below opposite the applicable type of Loan and the then applicable Leverage Ratio (determined on the last day of the most recent Fiscal Quarter for which Financial Statements have been delivered pursuant to *Section 6.1(b)* or *(c) (Financial Statements)*) set forth below:

Leverage Ratio	Base Rate Loans	Eurodollar Rate Loans
Greater than or equal to 4.0 to 1	2.50%	3.50%
Less than 4.0 to 1 and equal to or greater than 2.5 to 1	2.25%	3.25%
Less than 2.5 to 1	2.00%	3.00%

Changes in the Applicable Margin resulting from a change in the Leverage Ratio on the last day of any subsequent Fiscal Quarter shall become effective as to all Revolving Loans and Swing Loans upon delivery by the Parent to the Administrative Agent of new Financial Statements pursuant to *Section 6.1(b)* or *(c) (Financial Statements)*, as applicable. Notwithstanding anything to the contrary set forth in this Agreement (including the then effective Leverage Ratio), if the Parent shall fail to deliver such Financial Statements within any of the time periods specified in *Section 6.1(b)* or *(c) (Financial Statements)*, the Applicable Margin from and including the 46th day after the end of such Fiscal Quarter or the 101st day after the end of such Fiscal Year, as the case may be, to but not including the date the Parent delivers to the Administrative Agent such Financial Statements shall equal the highest possible Applicable Margin provided for by this definition.

In the event that any financial statement under *Section 6.1 (Financial Statements)* or a Compliance Certificate is shown to be inaccurate at any time that this Agreement is in effect and any Loans or Commitments are outstanding hereunder when such inaccuracy is discovered or within 91 days after the date on which all Loans have been repaid and all Commitments have been terminated, and such inaccuracy, if corrected, would have led to a higher Applicable Margin for any period (an "*Applicable Period*") than the Applicable Margin applied for such Applicable Period, then (i) the Borrower shall promptly (and in no event later than five (5) Business Days thereafter) deliver to the Administrative Agent a correct Compliance Certificate for such Applicable Period, (ii) the Applicable Margin shall be determined by reference to the corrected Compliance Certificate (but in no event shall the Lenders owe any amounts to the Borrower), and (iii) the Borrower shall pay to the Administrative Agent promptly

upon demand (and in no event later than five (5) Business Days after demand) any additional interest owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with the terms hereof. Notwithstanding anything to the contrary in this Agreement, any additional interest hereunder shall not be due and payable until demand is made for such payment pursuant to clause (iii) above and accordingly, any nonpayment of such interest as result of any such inaccuracy shall not constitute a Default (whether retroactively or otherwise), and no such amounts shall be deemed overdue (and no amounts shall accrue interest at the default rate of interest specified in *Section 2.10(c) (Interest)*), at any time prior to the date that is five (5) Business Days following such demand.

"*Applicable Unused Commitment Fee Rate*" means 0.50% per annum.

"*Approved Deposit Account*" means a Deposit Account that is the subject of an effective Deposit Account Control Agreement and that is maintained by any Loan Party. "*Approved Deposit Account*" includes all monies on deposit in a Deposit Account and all certificates and instruments, if any, representing or evidencing such Deposit Account.

"*Approved Fund*" means, with respect to any Person, any Fund that is administered, advised or managed by such Person, an Affiliate of such Person or by any other entity that also administers, advises or manages such Person or Affiliate.

"*Arranger*" means each of Banc of America Securities LLC and Deutsche Bank Securities Inc., in their capacity as joint lead arrangers and joint book-running managers.

"*Asset Sale*" has the meaning specified in *Section 8.4 (Sale of Assets)*.

"*Assignment and Acceptance*" means an assignment and acceptance entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of *Exhibit A (Form of Assignment and Acceptance)*.

"*Auto-Extension Letter of Credit*" has the meaning specified in *Section 2.4(b)(iii) (Letters of Credit)*.

"*Available Credit*" means, at any date, (a) the then effective Revolving Credit Commitments *minus* (b) the aggregate Revolving Credit Outstandings on such date, after giving effect to any substantially contemporaneous repayment of any Loan or Reimbursement Obligation on such date.

"*Available Employee Basket*" means, at any time, $5,000,000 less the sum of the following: (a) the aggregate amount of all cash payments made in respect of Indebtedness incurred in reliance upon *Section 8.1(m) (Indebtedness)* after the Closing Date and (b) the aggregate amount of all cash dividends made pursuant to *Section 8.5(c) (Restricted Payments)* after the Closing Date (other than Restricted Payments as described under *Section 8.5(c)(i) (Restricted Payments)*).

"*Bank of America* " has the meaning specified in the preamble to this Agreement.

"*Base Rate*" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall be equal at all times to the highest of the following:

(a) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate";

(b) 0.5% per annum *plus* the Federal Funds Rate; and

(c) the Eurodollar Rate for an Interest Period of one-month beginning on such day (or if such day is not a Business Day, on the immediately preceding Business Day) plus 100 basis points.

The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

"*Base Rate Loan*" means any Swing Loan or any other Loan during any period in which it bears interest based on the Base Rate.

"*Borrower*" has the meaning specified in the preamble to this Agreement.

"*Borrower Materials*" has the meaning specified in *Section 6.14 (Borrower Materials)*.

"*Borrower's Accountants*" means PricewaterhouseCoopers or other independent nationally recognized public accountants acceptable to the Administrative Agent, which acceptance shall not be unreasonably withheld.

"*Borrowing*" means a Revolving Credit Borrowing or a Term Loan Borrowing.

"*Business Day*" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under Requirement of Law of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a London Banking Day.

"*Capital Expenditures*" means, for any Person for any period, the aggregate of amounts that would be reflected as additions to property, plant or equipment on a Consolidated balance sheet of such Person and its Subsidiaries, excluding interest capitalized during construction.

"*Capital Lease*" means, with respect to any Person, any lease of, or other arrangement conveying the right to use, property by such Person as lessee that would be accounted for as capitalized liability on a balance sheet of such Person prepared in conformity with GAAP. Notwithstanding the foregoing and *Section 1.3 (Accounting Terms and Principles)* hereof, any obligations of a Person under a lease (whether now existing or entered into after the date hereof) that is not (or would not be) a Capital Lease under GAAP as in effect on the Closing Date, shall not be treated as a Capital Lease solely as a result of the adoption of changes in GAAP outlined by FASB in its press release dated March 19, 2009.

"*Capital Lease Obligations*" means, with respect to any Person, the capitalized amount of all Consolidated obligations of such Person or any of its Subsidiaries under Capital Leases determined in accordance with GAAP.

"*Cash Collateral Account*" means any Deposit Account or Securities Account that is (a) established by the Administrative Agent from time to time in its sole discretion to receive cash and Cash Equivalents (or purchase cash or Cash Equivalents with funds received) from the Loan Parties or Persons acting on their behalf pursuant to the Loan Documents, (b) with such depositaries and securities intermediaries as the Administrative Agent may determine in its sole discretion, (c) in the name of the

Administrative Agent (although such account may also have words referring to any Loan Party and the account's purpose), (d) under the control of the Administrative Agent and (e) in the case of a Securities Account, with respect to which the Administrative Agent shall be the Entitlement Holder and the only Person authorized to give Entitlement Orders with respect thereto.

"*Cash Equivalents*" means each the following:

(a) (i) securities issued or fully guaranteed or insured by the United States federal government or any agency thereof and (ii) securities owned by a Foreign Non-Guarantor and issued, fully guaranteed or insured by the United Kingdom or any agency or instrumentality thereof (as long as that the full faith and credit of the United Kingdom is pledged in support of those securities);

(b) (i) certificates of deposit, eurodollar time deposits, overnight bank deposits and bankers' acceptances (in each case, at the time of acquisition, that are rated at least "*A-1*" by S&P or "*P-1*" by Moody's) of any commercial bank that is organized under the laws of the United States of America, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States of America, any state thereof or the District of Columbia, and is a member of the Federal Reserve System, having combined capital and surplus of at least $1,000,000,000 and (ii) certificates of deposit, eurodollar time deposits, banker's acceptances and overnight bank deposits of any foreign bank, or its branches or agencies (fully protected against currency fluctuations), having capital and surplus in excess of $500,000,000 and a Thomson BankWatch Rating of at least "B" and owned by any Foreign Non-Guarantor;

(c) repurchase obligations with a term of not more than seven days with respect to securities of the types described in *clause (a)* or *(b)* above of a Person permitted to make Investments in such securities pursuant to such clauses and with a Lender or any Affiliate thereof or a financial institution meeting the definition of *clause (b)* or *(c)* of the definition of "Eligible Assignee";

(d) (i) commercial paper of an issuer rated at least "*A-1*" by S&P or "*P-1*" by Moody's and (ii) commercial paper owned by a Foreign Non-Guarantor of an issuer having the highest rating obtainable from S&P or Moody's; and

(e) (i) shares of any money market fund that (A) has at least 95% of its assets invested continuously in the types of investments referred to in *clauses (a)* through *(d)* above, (B) has net assets whose Dollar Equivalent exceeds $500,000,000 and (C) is rated at least "*A-1*" by S&P or "*P-1*" by Moody's and (ii) shares owned by a Foreign Non-Guarantor of any money market fund that has at least 95% of its assets invested continuously in the types of investments referred to in *clauses (a)* through *(d)* above;

provided, *however*, that (x) the maturities of all obligations of the type specified in *clauses (a)* through *(e)* above shall not exceed the lesser of the time specified in such clauses and (A) in the case of obligations owned by a Foreign Non-Guarantor, 180 days and (B) otherwise, 360 days and (y) "*Cash Equivalents*" shall not include Securities of the Parent and its Subsidiaries, Joint Ventures of any of them and any Affiliate or Approved Fund of any of the foregoing.

"*Cash Interest Expense*" means, with respect to any Person for any period, the Interest Expense of such Person for such period less the sum of, without duplication and in each case determined on a Consolidated basis for such Person and its Subsidiaries and included in such sum only to the extent

included in the calculation of Interest Expense, (a) the Non-Cash Interest Expense of such Person for such period, (b) any fees (including underwriting fees) and expenses paid by such Person or its Consolidated Subsidiaries during such period in connection with the consummation of the Transactions, (c) any premiums paid and consent payments made in connection with the tender offer for the Existing Senior Subordinated Notes during such period, (d) any fees (including underwriting fees) and expenses paid by such Person or its Consolidated Subsidiaries during such period in connection with the consummation of any Permitted Acquisition or Sale of Business permitted hereunder, (e) any upfront fee and other cash payments made during such period by the Borrower as a condition to the execution of any Interest Rate Contract permitted hereunder to other parties to such Interest Rate Contract as consideration required by such other parties to enter into such Interest Rate Contract, (f) any fees paid during such period by or on behalf of the Borrower to any Agent pursuant to any Fee Letter, (g) any Consolidated net cash gain of such Person and its Subsidiaries under Interest Rate Contracts for such period and (h) any Consolidated interest income of such Person and its Subsidiaries for such period.

"*CERCLA*" has the meaning given to such term in the definition of "Environmental Laws".

"*Change of Control*" means the occurrence of any event, transaction or occurrence as a result of which any of the following occurs:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, including any group acting for the purpose of acquiring, holding, voting or disposing of Securities within the meaning of Rule 13d-5(b)(1) of the Exchange Act) shall become the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under the Exchange Act, except that each Person will be deemed to have "beneficial ownership" of all Stock and Stock Equivalents that such Person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of Stock and Stock Equivalents of the Parent representing more than 30% of the voting power or economic interests of all Stock and Stock Equivalents of the Parent;

(b) during any period of twelve consecutive calendar months, individuals who, at the beginning of such period, constituted the board of directors (or similar governing body) of the Parent (together with any directors whose election by the board of directors of the Parent or whose nomination for election by the members of the Parent was approved by a vote of at least a majority of the directors (or members of a similar governing body) then still in office who either were directors at the beginning of such period or whose elections or nomination for election was previously so approved) cease for any reason other than death or disability to constitute a majority of the directors (or members of a similar governing body) then in office;

(c) the Parent shall cease to own and control, directly or through one or more Wholly-Owned Subsidiaries, all of the economic and voting rights associated with all of the outstanding Stock of the Borrower; or

(d) any "Change of Control" under and as defined in the Senior Notes Indenture or any term of similar import under any Senior Notes Document.

"*Change of Law*" has the meaning specified in *Section 2.14(c) (Special Provisions Governing Eurodollar Rate Loans)*.

"*Closing Date*" means March 24, 2010.

"*Code*" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"*Collateral*" means all property and interests in property and proceeds thereof now owned or hereafter acquired by any Loan Party in or upon which a Lien is granted under any Collateral Document.

"*Collateral Documents*" means the Pledge and Security Agreement, the Foreign Collateral Documents, the Mortgages (if any are executed after the Closing Date), the Deposit Account Control Agreements, the Securities Account Control Agreements and any other document executed and delivered by a Loan Party granting a Lien on any of its property to secure payment of the Secured Obligations.

"*Commercial Letter of Credit*" means any Letter of Credit that is drawable upon presentation of documents evidencing the sale or shipment of goods purchased by the Parent or any of its Subsidiaries in the ordinary course of its business.

"*Commitment*" means, with respect to any Lender, such Lender's Revolving Credit Commitment and Term Loan Commitment, and "*Commitments*" means the aggregate Revolving Credit Commitments and Term Loan Commitments of all Lenders.

"*Commodity Account*" has the meaning given to such term in the UCC.

"*Compliance Certificate*" has the meaning specified in *Section 6.1(d) (Financial Statements)*.

"*Consolidated*" means, with respect to any Person, the consolidation of accounts of such Person and its Subsidiaries in accordance with GAAP.

"*Consolidated Current Assets*" means, with respect to any Person at any date, the total Consolidated current assets (other than cash and Cash Equivalents) of such Person and its Subsidiaries at such date, excluding any credit for deferred federal, state, local and foreign income tax.

"*Consolidated Current Liabilities*" means, with respect to any Person at any date, all liabilities of such Person and its Subsidiaries at such date that should be classified as current liabilities on a Consolidated balance sheet of such Person and its Subsidiaries, but excluding, in the case of the Parent, and only to the extent included in current liabilities of the Parent and its Subsidiaries on a Consolidated balance sheet thereof, the sum of, without duplication, (a) the principal amount of any current portion of long-term Consolidated Financial Covenant Debt of such Person, (b) the then outstanding principal amount of the Loans, (c) the current portion of any accrued and unpaid interest on any Indebtedness described under *clause (a)* or *(b)* above and (d) liabilities for deferred federal, state, local and foreign income tax.

"*Consolidated Net Income*" means, for any Person for any period, the Consolidated net income (or loss) of such Person and its Subsidiaries for such period; *provided*, *however*, that (a) the net income of any other Person in which such Person or one of its Subsidiaries has a joint interest with a third party (which interest does not cause the net income of such other Person to be Consolidated into the net income of such Person) shall be included only to the extent of the amount of dividends or distributions paid to such Person or Subsidiary, (b) the net income of any Subsidiary of such Person that (i) is a Loan Party and that is subject to any consensual restriction or limitation on the payment of dividends or the making of other distributions shall be excluded to the extent of such restriction or limitation or (ii) is not a Loan Party and that is subject to any restriction or limitation (whether or not consensual) on the payment of dividends or the making of other distributions shall be excluded to the extent of such restriction or

limitation, (c) extraordinary, unusual or non-recurring gains and losses and any one-time increase or decrease to net income that is required to be recorded because of the adoption of new accounting policies, practices or standards required by GAAP shall be excluded, (d) gains and losses from businesses reflected on the Financial Statements of such Person as discontinued operations shall be excluded and (e) any restructuring charges or other non-recurring fees, costs or expenses incurred (x) in connection with the Transactions or (y) incurred prior to the Closing Date (including, with respect to the Fiscal Quarter ended September 30, 2009, up to $2,500,000 in the aggregate in respect of restructuring expenses and expenses incurred in connection with the replacement of the chief executive officer of the Parent) shall be excluded.

"*Constituent Documents*" means, with respect to any Person, (a) the articles of incorporation, certificate of incorporation, constitution or certificate of formation (or the equivalent organizational documents) of such Person, (b) the by-laws, operating agreement (or the equivalent governing documents) of such Person and (c) any document setting forth the manner of election and obligations of the directors or managing members of such Person (if any) and the designation, amount or relative rights, limitations and preferences of any class or series of such Person's Stock.

"*Contaminant*" means any chemicals, material, substance, waste, pollutant, contaminant, constituent in any form, including any petroleum or petroleum-derived substance or waste, asbestos and polychlorinated biphenyls, regulated or which can give rise to liability under any Environmental Law.

"*Contractual Obligation*" of any Person means any obligation, agreement, undertaking or similar provision of any Security issued by such Person or of any agreement, undertaking, contract, lease, indenture, mortgage, deed of trust or other instrument (excluding a Loan Document) to which such Person is a party or by which it or any of its property is bound or to which any of its property is subject.

"*Control Account*" means a Securities Account or Commodity Account that is the subject of an effective Securities Account Control Agreement and that is maintained by any Loan Party. "*Control Account*" includes all Financial Assets held in a Securities Account or a Commodity Account and all certificates and instruments, if any, representing or evidencing the Financial Assets contained therein.

"*Corporate Chart*" means a corporate organizational chart, list or other similar document in each case in form reasonably acceptable to the Administrative Agent and setting forth, for each Person that is a Loan Party, that is subject to *Section 7.11 (Additional Collateral and Guaranties)* or that is a Subsidiary or Joint Venture of any of them, (a) the full legal name of such Person (and any trade name, fictitious name or other name such Person operates under at such time), (b) the jurisdiction of organization, the organizational number (if any) and the tax identification number (if any) of such Person, (c) the location of such Person's chief executive office (or sole place of business) and (d) the number of shares of each class of such Person's Stock authorized (if applicable), the number outstanding as of the date of delivery and the number and percentage of such outstanding shares for each such class owned (directly or indirectly) by any Loan Party or any Subsidiary of any of them.

"*Customary Permitted Liens*" means, with respect to any Person, any of the following Liens, in each case as long as no such Lien secures any Indebtedness for borrowed money:

(a) Liens with respect to the payment of taxes, assessments or governmental charges in each case that are not overdue by more than 30 days or that can be paid without penalty or that are being contested in good faith by appropriate proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained to the extent required by GAAP, which proceedings have the effect during their pendency of preventing the forfeiture or sale of the property or assets subject to any such Lien;

(b) Liens of landlords arising by statute (or, with the Administrative Agent's consent, by contract) and liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other liens imposed by law (including, as applicable, under Article 2 of the uniform commercial code of any state of the United States or the District of Columbia and similar laws) created in the ordinary course of business for amounts not overdue by more than 30 days or that are being contested in good faith by appropriate proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained to the extent required by GAAP;

(c) pledges and cash deposits made in the ordinary course of business in connection with workers' compensation, unemployment or other insurance obligations or other types of social security benefits or similar legal obligations or to secure the performance of bids, statutory obligations, public obligations to any Governmental Authority, tenders, sales, contracts (other than for the repayment of borrowed money) and surety, customs or performance bonds;

(d) encumbrances arising by reason of zoning restrictions, easements, licenses, building codes, land-use restrictions, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar encumbrances on the use of real property not materially detracting from the value of such real property or not materially interfering with the ordinary conduct of the business conducted and proposed to be conducted at such real property;

(e) Liens arising under leases or subleases of real property that do not, in the aggregate, materially detract from the value of such real property or interfere with the ordinary conduct of the business conducted and proposed to be conducted at such real property;

(f) Liens, pledges and cash deposits to secure any appeal bond with respect to any judgment or order (or similar process) or Liens otherwise granted as part of such judgment or order (or similar process), in each case to the extent no Event of Default exists as a result of such Lien, judgment or order;

(h) rights of setoff, banker's liens and similar rights in favor of a banking institution that arise as a matter of law, encumber deposits and are within the general parameters customary in the banking industry; and

(i) Liens that might be deemed to exist on the assets subject to a repurchase agreement constituting a Cash Equivalent permitted hereunder, if such Liens are deemed to exist solely because the existence of such repurchase agreement.

"*Debt Issuance*" means the incurrence of Indebtedness of the type specified in *clause (a)* or *(b)* of the definition of "Indebtedness" by the Parent or any of its Subsidiaries.

"*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 Requirement of Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

"*Default*" means any event that, with the passing of applicable grace periods or the giving of notice or both, would become an Event of Default if not cured or waived.

"*Defaulting Lender*" means, subject to *Section 2.18(b) (Defaulting Lenders)*, any Lender that, as reasonably determined by the Administrative Agent, (a) has failed to perform any of its funding

obligations hereunder, including in respect of its Loans or participations in respect of Letters of Credit or Swing Loans, within three Business Days of the date required to be funded by it hereunder unless such Lender's failure is based on such Lender's reasonable and good faith determination that the conditions precedent to funding such obligation under this Agreement have not been satisfied and such Lender has notified the Administrative Agent in writing of the same, (b) has notified the Borrower or any Agent in writing that it does not intend to comply with any such funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or under other agreements in which it commits to extend credit; *provided* that in the event any Term Loan Lender has made a public statement on or prior to the Closing Date or any Facilities Increase Date to the effect that it does not intend to comply with its funding obligations hereunder with respect to its Term Loan Commitment as of such date, to the extent such Term Loan Lender actually satisfies such Term Loan Commitment in full as of the Closing Date or as of such later date when such Borrowing of Incremental Term Loans is consummated, as applicable, such Term Loan Lender, in its capacity as such, shall not be deemed to be a "Defaulting Lender" solely by virtue of such statement, (c) has failed, within three Business Days after written request by the Administrative Agent, to confirm in a manner reasonably satisfactory to the Administrative Agent, that it will comply with such funding obligations, or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, or (iii) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Stock or Stock Equivalents in such Lender or any direct or indirect parent company thereof by a Governmental Authority.

"*Deposit Account*" has the meaning given to such term in the UCC.

"*Deposit Account Control Agreement*" has the meaning specified in the Pledge and Security Agreement.

"*Disclosure Documents*" means, collectively, (a) the confidential information memoranda and related materials prepared in connection with the syndication of the Facilities, (b) the Senior Notes Offering Memorandum and (c) on and after the issuance of any Additional Permitted Debt, any offering memoranda, information memoranda and similar documentation distributed to prospective participants in a syndication or an offering in respect thereof.

"*Discount Range*" has the meaning specified in *Section 2.8(c)(ii) (Optional Prepayments)*.

"*Discounted Prepayment Option Notice*" has the meaning specified in *Section 2.8(c)(ii) (Optional Prepayments)*.

"*Discounted Voluntary Prepayment*" has the meaning specified in *Section 2.8(c)(i) (Optional Prepayments)*.

"*Discounted Voluntary Prepayment Notice*" has the meaning specified in *Section 2.8(c)(v) (Optional Prepayments)*.

"*Disqualified Stock*" means any Stock of the Parent that, by its terms (or by the terms of any Security into which it is convertible or for which it is exchangeable, in either case at the option of the holder thereof) or otherwise (a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise, (b) is or may become redeemable or repurchaseable at the option of the holder thereof,

in whole or in part, (c) is Indebtedness or is convertible or exchangeable at the option of the holder thereof for Indebtedness or Disqualified Stock, in each of *clause (a)*, *(b)* and *(c)* coming due sooner than the first anniversary of the then Latest Maturity Date; *provided*, *however*, that only the portion of Stock which so matures or is so mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date, shall be deemed to be Disqualified Stock; and *provided*, *further*, that any Stock that would constitute "Disqualified Stock" solely because the holders thereof have the right to require the Parent or any of its Subsidiaries to repurchase such Stock upon the occurrence of a change of control or asset sale shall not constitute Disqualified Stock if the terms of such Stock (and all such Securities into which it is convertible or for which it is exchangeable) provide that none of the Parent or its Subsidiaries may repurchase or redeem any such Stock (or any such Securities into which it is convertible or for which it is exchangeable) pursuant to such provision prior to the payment in full of the Secured Obligations.

"*Disqualified Stock Document*" means any agreement, certificate, power of attorney, or other document relating to any Disqualified Stock.

"*Dollar Equivalent*" of any amount means, at the time of determination thereof, (a) if such amount is expressed in Dollars, such amount, (b) if such amount is expressed in an Alternative Currency, the equivalent of such amount in Dollars determined by using the rate of exchange quoted by Bank of America in New York, New York at 11:00 a.m. (New York time) on the date of determination (or, if such date is not a Business Day, the last Business Day prior thereto) to prime banks in New York for the spot purchase in the New York foreign exchange market of such amount of Dollars with such Alternative Currency and (c) if such amount is denominated in any other currency, the equivalent of such amount in Dollars as determined by the Administrative Agent using any method of determination it reasonably deems appropriate.

"*Dollars*" and the sign "*$*" each mean the lawful money of the United States of America.

"*Domestic Lending Office*" means, with respect to any Lender, the office of such Lender specified as its "*Domestic Lending Office*" opposite its name on *Schedule II (Applicable Lending Offices and Addresses for Notices)* or on the Assignment and Acceptance by which it became a Lender or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"*Domestic Person*" means any "*United States person*" under and as defined in Section 7701(a)(30) of the Code.

"*Domestic Subsidiary*" means any Subsidiary of the Parent organized under the laws of the United States of America, any state thereof or the District of Columbia.

"*EBITDA*" means, with respect to any Person for any period,

(a) Consolidated Net Income of such Person for such period plus

(b) the sum of, in each case (other than in the case of *clause (xii)* below) to the extent included in the calculation of such Consolidated Net Income as a reduction thereof but without duplication, the following:

(i) any provision for federal, state, local and foreign income tax, franchise taxes and state single business unitary and similar taxes imposed in lieu of income tax;

(ii) Interest Expense;

(iii) [Reserved];

(iv) depreciation, depletion and amortization expenses;

(v) cash expenses made during such period in connection with any Permitted Acquisition for which such Person or its Consolidated Subsidiaries have received during such period indemnification payments in respect of any Permitted Acquisition, to the extent reimbursed by third parties that are not Affiliates of such Person or any of its Consolidated Subsidiaries;

(vi) fees and expenses paid during such period in connection with the exchange of the Senior Notes for notes registered with the Securities and Exchange Commission;

(vii) any aggregate net loss in such period from the sale, exchange or other disposition of capital assets (other than dispositions of inventory in the ordinary course of business) by such Person or any of its Consolidated Subsidiaries in an amount not to exceed $20,000,000 in the aggregate for all such periods;

(viii) any write-off made in such period of deferred financing costs;

(ix) earn-out obligations incurred in connection with any Permitted Acquisition and paid or accrued during such period;

(x) tender premium, consent solicitation fee and other fees (including underwriting fees) and expenses paid by such Person or its Consolidated Subsidiaries during such period in connection with the consummation of the Transactions;

(xi) all other non-cash charges and non-cash losses for such period, including the amount of any compensation deduction as the result of any grant of Stock or Stock Equivalents to employees, officers, directors or consultants;

(xii) payments received by such Person or any of its Consolidated Subsidiaries from business interruption insurance; and

(xiii) reasonable fees, costs and expenses relating to any Asset Sales permitted hereunder (whether or not such transaction is consummated); and minus

(c) the sum of, in each case, to the extent included in the calculation of such Consolidated Net Income as an increase thereto but without duplication, each of the following:

(i) any credit for income tax;

(ii) Consolidated net gains of such Person and its Subsidiaries under Interest Rate Contracts for such period;

(iii) any Consolidated interest income of such Person and its Subsidiaries for such period;

(iv) [Reserved];

(v) any aggregate net gain in such period (but not any aggregate net loss) from the sale, exchange or other disposition of capital assets by such Person or any of its Consolidated Subsidiaries (other than dispositions of inventory in the ordinary course of business);

(vi) any cash refund of any payment in such period of any item described in *clause (b)* above which payment or item was added to Consolidated Net Income in the calculation of EBITDA by reason of such clause either in such period or in any prior period; and

(vii) any other non-cash gains or other items which have been added in determining Consolidated Net Income of such Person for such period, including any reversal of a change referred to in *clause (b)(xi)* above by reason of a decrease in the value of any Stock or Stock Equivalent.

"*Eligible Assignee*" means any Person that meets the requirements to be an assignee under *Section 11.2(a) (Assignments and Participations)* (subject to such consents, if any, as may be required under *Section 11.2(a) (Assignments and Participations)*); *provided* that none of (i) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this *clause (i)*; (ii) any natural person; or (iii) any Purchasing Borrower Party shall be deemed to be an Eligible Assignee.

"*Entitlement Holder*" has the meaning given to such term in the UCC.

"*Entitlement Order*" has the meaning given to such term in the UCC.

"*Environmental Laws*" means all applicable Requirements of Law now or hereafter in effect and as amended or supplemented from time to time, relating to pollution or the regulation and protection of human or animal health, safety, the environment or natural resources, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. § 9601 *et seq.*) ("*CERCLA*"); the Hazardous Material Transportation Act, as amended (49 U.S.C. § 5101 *et seq.*); the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. § 136 *et seq.*) ("*FIFRA*"); the Resource Conservation and Recovery Act, as amended (42 U.S.C. § 6901 *et seq.*); the Toxic Substance Control Act, as amended (15 U.S.C. § 2601 *et seq.*); the Clean Air Act, as amended (42 U.S.C. § 7401 *et seq.*); the Federal Water Pollution Control Act, as amended (33 U.S.C. § 1251 *et seq.*); the Occupational Safety and Health Act, as amended (29 U.S.C. § 651 *et seq.*); the Safe Drinking Water Act, as amended (42 U.S.C. § 300f *et seq.*); and each of their state and local counterparts or equivalents and any transfer of ownership notification or approval statute, including the Industrial Site Recovery Act (N.J. Stat. Ann. § 13:1K-6 *et seq.*).

"*Environmental Liabilities and Costs*" means, with respect to any Person, all liabilities, obligations, responsibilities, Remedial Actions, losses, damages, punitive damages, consequential damages, treble damages, costs and expenses (including all fees, disbursements and expenses of counsel, experts and consultants and costs of investigation and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim or demand by any other Person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute and whether arising under any Environmental Law, Permit, order or agreement with any Governmental Authority or other Person, in each case relating to any alleged violation of any Environmental Law, or to any environmental, health or safety condition or to any Release or threatened Release.

"*Environmental Lien*" means any Lien in favor of any Governmental Authority for Environmental Liabilities and Costs.

"*Equipment*" has the meaning given to such term in the UCC.

"*Equity Issuance*" means any issue or sale of any Stock or Stock Equivalent of the Parent or any Subsidiary of the Parent by the Parent or any such Subsidiary to any Person other than the Parent or any such Subsidiary (or any Joint Venture of any of them), in each case other than any issuance of common Stock of the Parent (a) that constitutes Nominal Shares or (b) occurring in the ordinary course of business to any director, member of the management or employee of the Parent or its Subsidiaries.

"*Equity Issuance Notice*" means, with respect to any Equity Issuance, a notice from the Parent to the Administrative Agent delivered on or before the date of consummation of such Equity Issuance (a) that the Parent (directly or indirectly through one of its Subsidiaries or Permitted Joint Venture) intends and expects to use Net Cash Proceeds of such Equity Issuance identified in such notice and (b) identifying separately (i) the portion of the Net Cash Proceeds of such Equity Issuance that is anticipated to be used to make Investments permitted under *Section 8.3(m) (Investments)* and (ii) the portion of the Net Cash Proceeds of such Equity Issuance that is anticipated to be used to make Permitted Acquisitions, and identifying each Permitted Acquisition to be made therewith.

"*ERISA*" means the United States Employee Retirement Income Security Act of 1974.

"*ERISA Affiliate*" means any trade or business (whether or not incorporated) under common control or treated as a single employer with the Parent or any of its Subsidiaries within the meaning of Section 414(b), (c), (m) or (o) of the Code.

"*ERISA Event*" means (a) a reportable event described in Section 4043(c)(1), (2), (3), (5), (6), (8) or (9) of ERISA with respect to a Title IV Plan or a Multiemployer Plan, (b) the withdrawal of the Parent, any of its Subsidiaries or any ERISA Affiliate from a Title IV Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA, (c) the complete or partial withdrawal of the Parent, any of its Subsidiaries or any ERISA Affiliate from any Multiemployer Plan, (d) notice of reorganization or insolvency of a Multiemployer Plan, (e) the filing of a notice of intent to terminate a Title IV Plan or the treatment of a plan amendment as a termination under Section 4041 of ERISA, (f) the institution of proceedings to terminate a Title IV Plan or Multiemployer Plan by the PBGC, (g) the failure to make any required contribution to a Title IV Plan or Multiemployer Plan, (h) the imposition of a lien under Section 412 of the Code or Section 302 of ERISA on the Parent or any of its Subsidiaries or any ERISA Affiliate or (i) any other event or condition that might reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Title IV Plan or Multiemployer Plan or the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA or (j) the aggregate unfunded vested benefits (as determined under Section 4006(a)(3)(E)(iii) of all Title IV Plans (disregarding Title IV Plans with no unfunded vested benefits) exceed $50,000,000 and the funded vested benefit percentage of such Title IV Plan is less than 90 percent.

"*Eurodollar Base Rate*" means, for such Interest Period, the rate per annum equal to the British Bankers Association LIBOR Rate ("*BBA LIBOR*"), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two London Banking Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any

reason, then the "Eurodollar Base Rate" for such Interest Period shall be the rate per annum determined by the Administrative Agent to be the rate at which deposits in Dollars for delivery on the first day of such Interest Period in same day funds in the approximate amount of the Eurodollar Rate Loan being made, continued or converted by Bank of America and with a term equivalent to such Interest Period would be offered by Bank of America's London Branch to major banks in the London interbank eurodollar market at their request at approximately 11:00 a.m. (London time) two London Banking Days prior to the commencement of such Interest Period. Notwithstanding the foregoing, for purposes of determining the Base Rate under clause (c) of the definition thereof, the rates referred to above shall be the rates as of 11:00 a.m., London, England time, on the date of determination (rather than two London Banking Days preceding the date of determination).

"*Eurodollar Lending Office*" means, with respect to any Lender, the office of such Lender specified as its "*Eurodollar Lending Office*" opposite its name on *Schedule II (Applicable Lending Offices and Addresses for Notices)* or on the Assignment and Acceptance by which it became a Lender (or, if no such office is specified, its Domestic Lending Office) or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"*Eurodollar Rate*" means for any Interest Period with respect to a Eurodollar Rate Loan, a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{Eurodollar Rate} = \frac{\text{Eurodollar Base Rate}}{1.00 - \text{Eurodollar Reserve Percentage}}$$

In no event shall the Eurodollar Rate be less than 1.50%.

"*Eurodollar Rate Loan*" means any Loan that, for an Interest Period, bears interest based on the Eurodollar Rate.

"*Eurodollar Reserve Percentage*" means, for any day during any Interest Period, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the Federal Reserve Bank for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "*Eurocurrency liabilities*"). The Eurodollar Rate for each outstanding Eurodollar Rate Loan shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

"*Event of Default*" has the meaning specified in *Section 9.1 (Events of Default)*.

"*Excess Cash Flow*" means, for any period, each calculated on a Consolidated basis, (a) EBITDA of the Parent for such period *plus* (b) the sum of, without duplication, (i) the excess, if any, of the Working Capital of the Parent at the beginning of such period over the Working Capital of the Parent at the end of such period and (ii) any cash refund of any payment or expense set forth in *clause (c)* below for which credit was given pursuant to such clauses in prior periods, *minus* (c) the sum (without duplication, including duplications that may occur because of the inclusion of any of the following in the calculation of any defined term used below) of all of the following:

(i) scheduled and mandatory cash principal payments on the Loans during such period;

(ii) cash principal payments made by the Parent or any of its Subsidiaries during such period on other Indebtedness to the extent such other Indebtedness and payments are permitted by this Agreement;

(iii) scheduled cash payments made by the Parent or any of its Subsidiaries on Capital Lease Obligations during such period to the extent such Capital Lease Obligations and payments are permitted by this Agreement;

(iv) Unfinanced Capital Expenditures made by the Parent or any of its Subsidiaries during such period to the extent permitted by this Agreement;

(v) cash payments of federal, state, local and foreign income tax, franchise taxes and state single business unitary and similar taxes imposed in lieu of income tax made during such period by Parent or any of its Subsidiaries;

(vi) cash Restricted Payments permitted to be made in reliance upon *Section 8.5(c) (Restricted Payments)* for the sole purpose of funding cash payments made during such period to any then existing or former director, officer or employee of Parent or any of its Subsidiaries or their respective assigns, estates, heirs or their current or former spouses for the repurchase, redemption or other acquisition or retirement for value of any of their Stock or Stock Equivalents of Parent;

(vii) cash payments (other than in respect of taxes, which are governed by *clause (v)* above) made during such period for any liability which accrual in a prior period did not reduce EBITDA and therefore increased Excess Cash Flow in such prior period (and there was no other reduction to EBITDA or Excess Cash Flow related to such payment);

(viii) Cash Interest Expense made during such period (*plus*, but only to the extent subtracted from Interest Expense in the calculation of Cash Interest Expense, any fees and expenses described in *clauses (b)* through *(e)* of the definition of "Cash Interest Expense");

(ix) all cash expenses made during such period, to the extent such cash expenses were added back to Consolidated Net Income in the calculation of EBITDA pursuant to *clauses (b)(v)*, *(vi)*, *(vii)*, *(ix)* and *(x)* of the definition of "EBITDA"; and

(x) the excess, if any, of the Working Capital of the Parent at the end of such period over the Working Capital of the Parent at the beginning of such period.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

"*Excluded Foreign Subsidiary*" means (a) any Subsidiary that is not a Domestic Subsidiary in respect of which either (i) the pledge of all of the Stock of such Subsidiary as Collateral to secure payment of the Secured Obligations, or (ii) such Subsidiary entering into Guaranty Obligations in respect of the Secured Obligations, could reasonably be expected, in the good faith judgment of the Parent, result in materially adverse tax consequences to any Loan Party or any Subsidiary of any Loan Party, unless, in the case of *clauses (i)* and *(ii)*, such Subsidiary has entered into Guaranty Obligations in respect of the Senior Notes Indenture or other Indebtedness of any Loan Party having substantially similar tax consequences, or (b) Prestige Brands (UK) Limited and Wartner USA B.V.

"*Existing Credit Agreement*" means, as amended to the date hereof, that certain Credit Agreement, dated as of April 6, 2004, by and among the Borrower, as borrower, and the financial institutions from time to time party thereto as agents and lenders.

"*Existing Senior Subordinated Notes*" has the meaning specified in the recitals hereto.

"*Existing Senior Subordinated Notes Redemption Date*" has the meaning specified in *Section 3.1(d) (Conditions Precedent to Initial Loans and Letters of Credit)*.

"*Existing Senior Subordinated Notes Trustee*" has the meaning specified in the recitals hereto.

"*Facilities*" means (a) the Term Loan Facility and (b) the Revolving Credit Facility.

"*Facilities Increase*" has the meaning specified in *Section 2.1(c) (The Commitments)*.

"*Facilities Increase Date*" has the meaning specified in *Section 2.1(c) (The Commitments)*.

"*Facilities Increase Notice*" means a notice from the Borrower to the Administrative Agent requesting a Facilities Increase, which may include any proposed term and condition for such proposed Facilities Increase but shall include in any event the amount of such proposed Facilities Increase.

"*Fair Market Value*" means (a) with respect to any asset or group of assets (other than a marketable Security) of any Loan Party at any date that are the object of a transaction or series of transactions, the value of the consideration obtainable in a sale of such asset at such date or on the date of such transaction or series of transactions assuming a sale by a willing seller to a willing purchaser, neither of which is under pressure or compulsion to complete the transaction and both of which are dealing at arm's length, having regard to the nature and characteristics of such asset, as reasonably determined by the board of directors (or equivalent governing body) of such Loan Party (unless the Dollar Equivalent of such consideration is equal to or less than $5,000,000, as determined by a Responsible Officer of the Borrower) or, if such asset shall have been the subject of a relatively contemporaneous appraisal by an independent third party appraiser, the basic assumptions underlying which have not materially changed since its date, the value set forth in such appraisal and (b) with respect to any marketable Security at any date, the closing sale price of such Security on the Business Day next preceding such date, as appearing in any published list of any national securities exchange or the NASDAQ Stock Market or, if there is no such closing sale price of such Security, the final price for the purchase of such Security at face value quoted on such Business Day by a financial institution of recognized standing regularly dealing in Securities of such type and selected by the Administrative Agent.

"*Federal Funds Rate*" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received and determined by the Administrative Agent.

"*Federal Reserve Board*" means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

"*Fee Letters*" means (a) the fee letter, dated as of the date hereof, among the Borrower, the Parent and the Administrative Agent, (b) the fee letter, dated as of the date hereof, among the Borrower, the Parent and the Arrangers and (c) any additional fee letter entered into as part of a Facilities Increase and executed by, among others, the Administrative Agent.

"*FIFRA*" shall have the meaning given to such term in the definition of "Environmental Laws".

"*Financial Asset*" has the meaning given to such term in the UCC.

"*Financial Covenant Debt*" of any Person means Indebtedness of such Person and its Subsidiaries of the type specified in *clauses (a)*, *(b)* (other than contingent obligations also of the type specified in *clause (c)* of such definition), *(d)*, *(e)*, *(f)* and *(h)* of the definition of "Indebtedness" and non-contingent of obligations of the type specified in *clause (c)* of such definition, in each case to the extent each such item would be classified as "indebtedness" on a Consolidated balance sheet of such Person.

"*Financial Statements*" means the financial statements of the Parent and its Subsidiaries delivered in accordance with *Section 4.4 (Financial Statements)* and *Section 6.1 (Financial Statements)*.

"*Fiscal Quarter*" means each of the three-month periods ending on March 31, June 30, September 30 and December 31.

"*Fiscal Year*" means the twelve-month period ending on March 31. The Fiscal Year 2011 is the Fiscal Year ending March 31, 2011.

"*Flood Insurance Laws*" means, collectively, (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto and (iv) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto.

"*Foreign Collateral Documents*" means (i) the Share Mortgage between Prestige Brands International, Inc. and the Administrative Agent and (ii) any other document executed and delivered by a Loan Party granting a Lien on any of its property to secure payment of the Secured Obligations under any law other than United States federal, state or local law.

"*Foreign IP Subsidiary*" means one or more Wholly-Owned Subsidiaries of any Loan Party (a) that is incorporated in Ireland, Switzerland or other jurisdictions reasonably acceptable to the Administrative Agent, (b) whose Stock and Stock Equivalents shall be pledged to the Administrative Agent to the extent required pursuant to *Section 7.11 (Additional Collateral and Guaranties)* and (c)(i) whose Constituent Documents do not prevent or otherwise limit, and whose jurisdiction of organization and applicable Requirements of Law do not prevent or otherwise limit, the granting of Requisite Priority Liens to the Administrative Agent on 65% of the Stock of such Wholly-Owned Subsidiaries, foreclosure under such Requisite Priority Liens or any other exercise of remedies similar to the remedies set forth in the Pledge and Security Agreement in respect of capital stock and (ii) whose Constituent Documents do not prevent or otherwise limit (except to the extent required by applicable Requirements of Law), any payment by any Wholly-Owned Subsidiary to any Loan Party (whether directly or indirectly through any Wholly-Owned Subsidiary).

"*Foreign IP Transfer*" means the transfer to one or more Foreign IP Subsidiaries of (a) any Intellectual Property to the extent registered in any jurisdiction other than the United States or any

State thereof or the District of Columbia or (b) any unregistered Intellectual Property and all rights under manufacturing, distribution and other contracts, in each case to the extent such Intellectual Property and rights are used in or otherwise related to the development, marketing, manufacturing, packaging, handling, distribution or sale of products sold only outside of the United States.

"*Foreign Non-Guarantor*" means any Non-Guarantor that is not organized under the laws of any State of the United States of America or the District of Columbia.

"*Fronting Exposure*" means, at any time there is a Defaulting Lender, (a) with respect to an Issuer, such Defaulting Lender's Ratable Portion of the outstanding Letter of Credit Obligations other than Letter of Credit Obligations as to which (i) such Defaulting Lender's participation obligation has been reallocated pursuant to *Section 2.18(a)(iv) (Defaulting Lenders)*, or (ii) cash collateral or other credit support acceptable to the Letter of Credit Issuer shall have been provided in accordance with *Section 2.4 (Letters of Credit)*, and (b) with respect to the Swing Loan Lender, such Defaulting Lender's Ratable Portion of Swing Loans other than Swing Loans as to which (i) such Defaulting Lender's participation obligation has been reallocated pursuant to *Section 2.18(a)(iv) (Defaulting Lenders)*, or (ii) cash collateral or other credit support acceptable to the Swing Line Lender shall have been provided in accordance with *Section 2.3 (Swing Loans)*.

"*Fund*" means any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"*GAAP*" means generally accepted accounting principles in the United States of America as in effect from time to time set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be in general use by significant segments of the accounting profession, that are applicable to the circumstances as of the date of determination.

"*Governmental Authority*" means any nation, sovereign or government, any state or other political subdivision thereof and any entity or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any central bank or stock exchange.

"*Guarantor*" means the Parent and each Subsidiary Guarantor.

"*Guaranty*" means the guaranty, in substantially the form of *Exhibit H (Form of Guaranty)*, executed by the Guarantors.

"*Guaranty Obligation*" means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of such Person with respect to any Indebtedness of another Person, if the purpose or intent of such Person in incurring the liability is to provide assurance to the obligee of such Indebtedness that such Indebtedness will be paid or discharged, that any agreement relating thereto will be complied with, or that any holder of such Indebtedness will be protected (in whole or in part) against loss in respect thereof, including (a) the direct or indirect guaranty, endorsement (other than for collection or deposit in the ordinary course of business), co-making, discounting with recourse or sale with recourse by such Person of Indebtedness of another Person and (b) any liability of such Person for Indebtedness of another Person through any agreement (contingent or otherwise) (i) to purchase, repurchase or otherwise acquire such Indebtedness or any security therefor or to provide funds for the payment or discharge of such Indebtedness (whether in the form of a loan, advance, stock purchase, capital contribution or other-

wise), (ii) to maintain the solvency or any balance sheet item, level of income or financial condition of another Person, (iii) to make take-or-pay or similar payments, if required, regardless of non-performance by any other party or parties to an agreement, (iv) to purchase, sell or lease (as lessor or lessee) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Indebtedness or to assure the holder of such Indebtedness against loss or (v) to supply funds to, or in any other manner invest in, such other Person (including to pay for property or services irrespective of whether such property is received or such services are rendered), if in the case of any agreement described under *clause (b)(i), (ii), (iii), (iv)* or *(v)* above the primary purpose or intent thereof is to provide assurance that Indebtedness of another Person will be paid or discharged, that any agreement relating thereto will be complied with or that any holder of such Indebtedness will be protected (in whole or in part) against loss in respect thereof. The amount of any Guaranty Obligation shall be equal to the amount of the Indebtedness so guaranteed or otherwise supported.

"*Hedging Contracts*" means all Interest Rate Contracts, foreign exchange contracts, currency swap or option agreements, forward contracts, commodity swap, purchase or option agreements, other commodity price hedging arrangements and all other similar agreements or arrangements designed to alter the risks of any Person arising from fluctuations in interest rates, currency values or commodity prices.

"*Honor Date*" has the meaning specified in *Section 2.4(c)(i) (Letters of Credit)*.

"*Increase Joinder*" has the meaning specified in *Section 2.1(c)(iv) (the Commitments)*.

"*Incremental Term Loans*" has the meaning specified in *Section 2.1(c)(ii) (the Commitments)*.

"*Indebtedness*" of any Person means without duplication (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person evidenced by notes, bonds, debentures or similar instruments or that bear interest, (c) all reimbursement and other obligations with respect to letters of credit, bankers' acceptances, surety bonds and performance bonds, whether or not matured, (d) all indebtedness for the deferred purchase price of property or services, other than trade payables incurred in the ordinary course of business, (e) all indebtedness of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (f) all Capital Lease Obligations of such Person, (g) all Guaranty Obligations of such Person, (h) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any Stock or Stock Equivalents of such Person coming due sooner than the first anniversary of the then Latest Maturity Date, valued, in the case of redeemable preferred stock, at the greater of its voluntary liquidation preference and its involuntary liquidation preference plus accrued and unpaid dividends, (i) all payments that such Person would have to make in the event of an early termination on the date Indebtedness of such Person is being determined in respect of Hedging Contracts of such Person and (j) all Indebtedness of the type referred to above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property (including accounts and general intangibles) owned by such Person, even though such Person has not assumed and is not otherwise liable for the payment of such Indebtedness; *provided*, *however*, that Indebtedness shall not include any earn-out obligations of such Person or obligations of such Person in connection with any consulting agreement, in each case owing to the seller in connection with any Permitted Acquisition, until such obligations shall be earned. The value for purpose of this Agreement of any Indebtedness qualifying as such under *clause (j)* above (regardless of whether such Indebtedness qualifies as such under any other clause hereof) shall be deemed to be equal to the lesser of (x) the

amount of such Indebtedness and (y) the Fair Market Value of the property subject to a Lien securing any of such Indebtedness.

"*Indemnified Matter*" has the meaning specified in *Section 11.4 (Indemnities)*.

"*Indemnitee*" has the meaning specified in *Section 11.4 (Indemnities)*.

"*Intellectual Property*" has the meaning specified in the Pledge and Security Agreement.

"*Interest Coverage Ratio*" means, with respect to any Person for any period, the ratio of (a) Consolidated EBITDA of such Person for such period to (b) Cash Interest Expense of such Person for such period.

"*Interest Expense*" means, for any Person for any period, Consolidated total interest expense of such Person and its Subsidiaries for such period and including, in any event, interest capitalized during such period and net costs under Interest Rate Contracts for such period.

"*Interest Payment Date*" means (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the Term Loan Maturity Date or the Revolving Credit Termination Date, as applicable; *provided, however*, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or Swing Line Loan, the last Business Day of each March, June, September and December and the Term Loan Maturity Date or the Revolving Credit Termination Date, as applicable (with Swing Loans being deemed made under the Revolving Credit Facility for purposes of this definition).

"*Interest Period*" means, in the case of any Eurodollar Rate Loan, (a) initially, the period commencing on the date such Eurodollar Rate Loan is made or on the date of conversion of a Base Rate Loan to such Eurodollar Rate Loan and ending one, two, three or six months thereafter (or, if acceptable to all applicable Lenders, ending nine or twelve months thereafter), as selected by the Borrower in its Notice of Borrowing or Notice of Conversion or Continuation given to the Administrative Agent pursuant to *Section 2.2 (Borrowing Procedures)* or *2.11 (Conversion/Continuation Option)* and (b) thereafter, if such Loan is continued, in whole or in part, as a Eurodollar Rate Loan pursuant to *Section 2.11 (Conversion/Continuation Option)*, a period commencing on the last day of the immediately preceding Interest Period therefor and ending one, two, three or six months thereafter (or if deposits of such duration are available to all Lenders, ending nine or twelve months thereafter), as selected by the Borrower in its Notice of Conversion or Continuation given to the Administrative Agent pursuant to *Section 2.11 (Conversion/Continuation Option)*; *provided*, *however*, that all of the foregoing provisions relating to Interest Periods in respect of Eurodollar Rate Loans are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless the result of such extension would be to extend such Interest Period into another calendar month, in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;

(iii) the Borrower may not select any Interest Period that ends after the date of a scheduled principal payment on the Loans as set forth in *Article II (The Facilities)* unless, after

giving effect to such selection, the aggregate unpaid principal amount of the Loans for which Interest Periods end after such scheduled principal payment shall be equal to or less than the principal amount to which the Loans are required to be reduced after such scheduled principal payment is made;

(iv) the Borrower may not select any Interest Period in respect of Loans having an aggregate principal amount of less than $2,000,000 or that is not an integral multiple of $500,000 in excess thereof; and

(v) there shall be outstanding at any one time no more than 10 Interest Periods in the aggregate.

"*Interest Rate Contracts*" means all interest rate swap agreements, interest rate cap agreements, interest rate collar agreements and interest rate insurance.

"*Investment*" means, with respect to any Person, (a) any purchase or other acquisition by such Person of (i) any Security issued by, (ii) a beneficial interest in any Security issued by, or (iii) any other equity ownership interest in, any other Person, (b) any purchase by such Person of all or a significant part of the assets of a business conducted by any other Person, or all or substantially all of the assets constituting the business of a division, branch or other unit operation of any other Person, (c) any loan, advance (other than deposits with financial institutions available for withdrawal on demand, prepaid expenses, accounts receivable and similar items made or incurred in the ordinary course of business as presently conducted) or capital contribution by such Person to any other Person, including all Indebtedness of any other Person to such Person arising from a sale of property by such Person other than in the ordinary course of its business, and (d) any Guaranty Obligation incurred by such Person in respect of Indebtedness of any other Person. For purposes of *Article VIII (Negative Covenants)*, the outstanding amount of any Investment made by any Person at any time shall be calculated as the excess of the initial amount of such Investment made by such Person (including the Fair Market Value of all property transferred by such Person as part of such Investment) over the sum of, without duplication, (x) all returns of principal or capital thereof received on or prior to such time by such Person (including all cash dividends, cash distributions and cash repayments of Indebtedness received by such Person) and (y) all liabilities of such Person expressly transferred, prior to such time, in connection with the sale or disposition of such Investment, but only to the extent such Person is fully released of such liabilities by such transfer.

"*IRS*" means the Internal Revenue Service of the United States or any successor thereto.

"*Issue*" means, with respect to any Letter of Credit, to issue, extend the expiry of, renew or increase the maximum face amount (including by deleting or reducing any scheduled decrease in such maximum face amount) of, such Letter of Credit. The terms "*Issued*" and "*Issuance*" shall have a corresponding meaning.

"*Issuer*" means (i) Bank of America in its capacity as issuer of Letters of Credit hereunder, (ii) each Lender or Affiliate of a Lender that hereafter becomes an issuer of Letters of Credit hereunder with the approval (such approval not to be unreasonably withheld, conditioned or delayed) of the Administrative Agent and the Borrower by agreeing pursuant to an agreement with and in form and substance reasonably satisfactory to the Administrative Agent and the Borrower to be bound by the terms hereof applicable to Issuers, in its capacity as such Issuer.

"*Issuer Documents*" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by an Issuer and the Borrower (or any Subsidiary) or in favor of such Issuer and relating to such Letter of Credit.

"*Joint Venture*" means any Person (a) that is not a Subsidiary of the Parent or the Borrower, either directly or indirectly, (b) in which the Parent, the Borrower, any of their respective Subsidiaries or any other Joint Venture owns Stock or Stock Equivalents and (c) for which the Parent and the Borrower, in the aggregate together with their respective Subsidiaries, is, directly or indirectly, the beneficial owner of 5% or more of any class of the Stock or Stock Equivalents thereof.

"*Land*" of any Person means all of those plots, pieces or parcels of land now owned, leased or hereafter acquired or leased (including, in respect of the Loan Parties, as reflected in the most recent Financial Statements) by such Person.

"*Latest Maturity Date*" means the latest of (i) the Term Loan Maturity Date, (ii) the Scheduled Termination Date and (iii) the maturity date of any additional Term Loans made pursuant to any Facilities Increase under *Section 2.1(c) (the Commitments)*.

"*Leases*" means, with respect to any Person, all of those leasehold estates in real property of such Person, as lessee, as such may be amended, supplemented or otherwise modified from time to time.

"*Lender*" means each Person party hereto from time to time as a "Lender" and, as the context requires, includes the Swing Loan Lender.

"*Lender Participation Notice*" has the meaning specified in *Section 2.8(c)(iii) (Optional Prepayments)*.

"*Letter of Credit*" means any letter of credit Issued pursuant to *Section 2.4 (Letters of Credit)*.

"*Letter of Credit Advance*" means, with respect to each Lender, such Lender's funding of its participation in any Letter of Credit Borrowing in accordance with its Ratable Portion.

"*Letter of Credit Application*" means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by an Issuer.

"*Letter of Credit Borrowing*" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing.

"*Letter of Credit Expiration Date*" means the day that is seven days prior to the Revolving Credit Termination Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

"*Letter of Credit Fee*" has the meaning specified in *Section 2.12(b) (Fees)*.

"*Letter of Credit Obligations*" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Reimbursement Obligations at such time, including all Letter of Credit Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with *Section 1.06 (Letter of Credit Amounts)*. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"*Letter of Credit Sublimit*" means $5,000,000.

"*Letter of Credit Undrawn Amounts*" means, at any time, the aggregate undrawn face amount of all Letters of Credit outstanding at such time.

"*Leverage Ratio*" means, with respect to any Person as of any date, the ratio of (a) Consolidated Financial Covenant Debt of such Person and its Subsidiaries outstanding as of such date to (b) Consolidated EBITDA for such Person for the last four Fiscal Quarter period ending on or before such date.

"*Lien*" means any mortgage, deed of trust, pledge, hypothecation, collateral assignment, charge, deposit arrangement, encumbrance, lien (statutory or other), security interest or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever intended to assure payment of any Indebtedness or the performance of any other obligation, including any conditional sale or other title retention agreement and the interest of a lessor under a Capital Lease and any financing lease having substantially the same economic effect as any of the foregoing.

"*Loan*" means any loan made by any Lender pursuant to this Agreement.

"*Loan Documents*" means, collectively, this Agreement, the Notes (if any), the Guaranty, each Fee Letter, each Issuer Document, the Collateral Documents and each certificate, agreement or document executed by a Loan Party and delivered to the Administrative Agent or any Lender in connection with or pursuant to any of the foregoing.

"*Loan Party*" means the Borrower and each Guarantor.

"*London Banking Day*" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"*Material Adverse Change*" means a material adverse change in any of (a) the business, assets, operations, properties, performance, condition (financial or otherwise) or contingent liabilities of the Parent and its Subsidiaries taken as a whole, (b) the legality, validity or enforceability of any Loan Document or (c) the material rights and remedies of the Administrative Agent, the Syndication Agent, the Lenders or the Issuers under the Loan Documents.

"*Material Adverse Effect*" means an effect that results in or causes, or could reasonably be expected to result in or cause, a Material Adverse Change.

"*Material Event of Default*" means each Event of Default set forth in *clause (a)*, *(b)*, *(e)(i)*, *(e)(iii)* or *(f)* of *Section 9.1 (Events of Default)*.

"*Maximum Rate*" has the meaning specified in *Section 11.21 (Interest Rate Limitation*).

"*MNPI*" has the meaning specified in *Section 2.8(c)(i) (Optional Prepayments)*.

"*Moody's*" means Moody's Investors Service, Inc.

"*Mortgage Supporting Documents*" means, with respect to a Mortgage for a parcel of Real Property, each of the agreements, documents and instruments (including title policies or marked-up unconditional insurance binders (in each case, together with all documents referred to therein), maps, plats, current as-built surveys, environmental reports, "life of loan" Federal Emergency Management

Agency standard flood hazard determinations (together with notices about special flood hazard area status and flood disaster assistance) duly executed by the Borrower and the applicable Loan Parties, certificates evidencing insurance coverages required by *Section 7.5 (Maintenance of Insurance)* and flood insurance coverage, evidence regarding recording and payment of fees, insurance premium and taxes) that the Administrative Agent may reasonably request, each in form and substance reasonably satisfactory to it, to create, register or otherwise perfect, maintain, evidence the existence, substance, form or validity of, or enforce valid and enforceable Requisite Priority Liens on such parcel of Real Property (which may be in favor of, instead of the Administrative Agent, such other trustee as may be required or appropriate under local law), subject only to (a) Liens permitted under *Section 8.2 (Liens, Etc.)* and (b) such other Liens as the Administrative Agent may reasonably approve.

"*Mortgages*" means the mortgages, deeds of trust or other real estate security documents made or required herein to be made by the Borrower or any other Loan Party, each in form and substance satisfactory to the Administrative Agent.

"*Multiemployer Plan*" means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which the Parent, any of its Subsidiaries or any ERISA Affiliate has any obligation or liability, contingent or otherwise.

"*Net Cash Proceeds*" means proceeds received by the Parent or any of its Subsidiaries after the Closing Date in cash or Cash Equivalents from any (a) Asset Sale other than any Foreign IP Transfer and other than an Asset Sale permitted under *clauses (a)* through *(h)* and *(i)(A)* of *Section 8.4 (Sale of Assets)*, net of (i) the reasonable cash costs of sale, assignment or other disposition (including fees, commission, costs and other expenses), (ii) taxes paid or reasonably estimated to be payable as a result thereof, (iii) any amount required to be paid or prepaid on Indebtedness (other than the Obligations) secured by the assets subject to such Asset Sale, as long as evidence of each of *clauses (i)*, *(ii)* and *(iii)* above is provided to the Administrative Agent, and (iv) appropriate amounts provided by the seller as a reserve (but only to the extent such amounts remain set aside as a reserve), in accordance with GAAP, against all liabilities associated with the property disposed of in such Asset Sale and retained by the Parent or any of its Subsidiaries after such Asset Sale, including pension and other post-employment benefit liabilities, liabilities relating to environmental matters and liabilities under indemnification provisions associated with such Asset Sale, (b) Property Loss Event or (c)(i) Equity Issuance or (ii) any Debt Issuance other than as permitted under *Section 8.1 (Indebtedness)* (other than *clause (k)(ii)*), in each case net of taxes, fees, commissions, indemnities, discounts, placement fees, brokers', consultants', investment banking, legal, accounting and other advisors' fees, expenses and other costs incurred in connection with such transaction as long as evidence of such fees and costs is provided to the Administrative Agent; *provided*, *however*, that "*Net Cash Proceeds*" shall include proceeds received by a Permitted Joint Venture from any Asset Sale or Property Loss Event only to the extent such proceeds are received by the Parent or any of its Subsidiaries.

"*Net Equity Investment*" means, at any time, the amount, if any, by which (a) the amount of Net Cash Proceeds received in the form of cash or Cash Equivalents by the Parent or any Subsidiary of the Parent at or prior to such time from any Equity Issuance (but only to the extent of that portion of the Net Cash Proceeds of which have not previously been (and are not simultaneously being) applied to make Capital Expenditures within the meaning of clause (b) of the definition of "Unfinanced Capital Expenditures", to make Investments pursuant to *Section 8.3(m) (Investments)* or to make Restricted Payments pursuant to *Section 8.5(c)(iii) (Restricted Payments)*) after the Closing Date (other than any Equity Issuance of Disqualified Stock), exceeds (b) the Non-Guarantor Investment Amount at such time; *provided* that the Net Equity Investment shall not at any time be less than zero.

"*Nominal Shares*" means (a) for any Subsidiary of the Parent that is not a Domestic Subsidiary, nominal issuances of Stock in an aggregate amount not to exceed 0.5% of the Stock and Stock Equivalents of such Subsidiary on a fully-diluted basis and (b) in any case, director's qualifying shares, in each case to the extent such issuances are required by applicable law.

"*Non-Cash Interest Expense*" means, with respect to any Person for any period, the sum of the following amounts to the extent included in the calculation of Interest Expense of such Person, in each case determined on a Consolidated basis for such Person and its Subsidiaries, (a) the amount of debt discount and debt issuance costs amortized, (b) charges relating to write-ups or write-downs in the book or carrying value of existing Financial Covenant Debt of such Person, (c) interest payable in evidences of Indebtedness or by addition to the principal of the related Indebtedness and (d) other non-cash interest.

"*Non-Consenting Lender*" has the meaning specified in *Section 11.1(c) (Amendments, Waivers, Etc.)*.

"*Non-Extension Notice Date*" has the meaning specified in *Section 2.4(b)(iii) (Letters of Credit)*.

"*Non-Guarantor*" means any Subsidiary or Joint Venture of any Loan Party that is not a Subsidiary Guarantor, together with any Subsidiary or Joint Venture of such Subsidiary or Joint Venture that is not a Subsidiary Guarantor.

"*Non-Guarantor Investment Amount*" means, at any time, the Dollar Equivalent of the amount by which

(a) the sum, without duplication, of (i) all Investments (valued as of the date such Investment is made) in all Non-Guarantors made by any Loan Party (including any capital contribution to any Non-Guarantor, all advances made to any Non-Guarantor by any Loan Party, all Guaranty Obligations of any Loan Party of Indebtedness of any Non-Guarantor and all Permitted Acquisitions by Loan Parties of Stock or Stock Equivalents of Non-Guarantors or involving assets located outside of the United States to the extent, after giving effect to such Permitted Acquisition, such assets are owned by Non-Guarantors) and (ii) the Fair Market Value, at the time of such transfer, of all property (including cash and Cash Equivalents received by any Non-Guarantor as consideration for Asset Sales by such Non-Guarantor to any Loan Party) transferred to any Non-Guarantor by any Loan Party on or after the Closing Date other than as part of the consummation of any Foreign IP Transfer, exceeds

(b) the sum of, without duplication, (i) any return on capital or loan repayment (in the form of cash or Cash Equivalents) with respect to, or net cash proceeds of the sale or other disposition of, such Investment received by any Loan Party from any Non-Guarantor and (ii) the Fair Market Value, at the time of such transfer, of all property (including cash and Cash Equivalents received by any Loan Party as consideration for Asset Sales by any Loan Party to any Non-Guarantor) transferred to any Loan Party by any Non-Guarantor on or after the Closing Date, other than as part of the consummation of any Foreign IP Transfer.

"*Non-U.S. Lender*" means each Lender, Issuer or Agent that is a Non-U.S. Person.

"*Non-U.S. Person*" means any Person that is not a Domestic Person.

"*Note*" means any Revolving Credit Note or Term Loan Note.

"*Notice of Borrowing*" has the meaning specified in *Section 2.2(a) (Borrowing Procedures)*.

"*Notice of Conversion or Continuation*" has the meaning specified in *Section 2.11 (Conversion/Continuation Option)*.

"*Obligations*" means the Loans, the Letter of Credit Obligations and all other amounts, obligations, covenants and duties owing by any Loan Party (or any amount paid by any Loan Party for the account of the Borrower) to the Administrative Agent, any Lender, any Issuer, any Affiliate of any of them or any Indemnitee, of every type and description (whether by reason of an extension of credit, opening or amendment of a letter of credit or payment of any draft drawn or other payment thereunder, loan, guaranty, indemnification or otherwise), present or future, arising under this Agreement or any other Loan Document, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired and whether or not evidenced by any note, guaranty or other instrument or for the payment of money, including all letter of credit, cash management and other fees, interest, charges, expenses, attorneys' fees and disbursements and other sums chargeable to any Loan Party under this Agreement, any other Loan Document (including all interest and fees accruing after commencement of any bankruptcy or insolvency proceeding with respect to any Loan Party, whether or not allowed in such proceeding) and all obligations of the Borrower under any Loan Document to provide cash collateral for any Letter of Credit Obligation.

"*Offered Loans*" has the meaning specified in *Section 2.8(c)(iii) (Optional Prepayments)*.

"*Outstanding Amount*" means (i) with respect to Loans and Swing Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Loans and Swing Loans, as the case may be, occurring on such date; and (ii) with respect to any Letter of Credit Obligations on any date, the amount of such Letter of Credit Obligations on such date after giving effect to any Issuance of any Letter of Credit occurring on such date and any other changes in the aggregate amount of the Letter of Credit Obligations as of such date, including as a result of any reimbursements by the Borrower of Reimbursement Obligations.

"*paid in full*" and "*payment in full*" mean, with respect to any Secured Obligation, the occurrence of all of the foregoing, (a) with respect to such Secured Obligations other than (i) contingent indemnification obligations, Secured Hedging Contract Obligations and Secured Cash Management Obligations not then due and payable and (ii) to the extent covered by *clause (b)* below, obligations with respect to undrawn Letters of Credit, payment in full thereof in cash (or otherwise to the written satisfaction of the Secured Parties owed such Secured Obligations), (b) with respect to any undrawn Letter of Credit, the obligations under which are included in such Secured Obligations, (i) the cancellation thereof and payment in full of all resulting Secured Obligations pursuant to *clause (a)* above or (ii) the receipt of cash collateral (or a backstop letter of credit in respect thereof on terms acceptable to the applicable Issuer of the Letters of Credit and the Administrative Agent) in an amount at least equal to 102% of the Letter of Credit Obligations for such Letter of Credit and (c) if such Secured Obligations include one or more Facilities, termination of all Commitments and all other obligations of the Secured Parties in respect of such Facilities under the Loan Documents.

"*Parent*" has the meaning specified in the preamble to this Agreement.

"*PBGC*" means the Pension Benefit Guaranty Corporation or any successor thereto.

"*Permit*" means any permit, approval, authorization, license, variance or permission required from a Governmental Authority under an applicable Requirement of Law.

"*Permitted Acquisition*" means any Proposed Acquisition subject to the satisfaction of each of the following conditions:

(a) the Administrative Agent shall receive at least five Business Days' (or such other period as may be agreed to by the Administrative Agent in its sole discretion) prior written notice of such Proposed Acquisition, which notice shall include, without limitation, a reasonably detailed description of such Proposed Acquisition;

(b) such Proposed Acquisition shall only involve assets (which may include Stock) comprising a business, or those assets of a business, of the type engaged in by the Parent and its Subsidiaries as of the Closing Date or any other business that is reasonably related, ancillary or complementary thereto (or a reasonable extension or expansion thereof) or otherwise part of the consumer products business;

(c) such Proposed Acquisition shall be consensual and shall have been approved by the Proposed Acquisition Target's board of directors;

(d) no additional Indebtedness or other liabilities shall be incurred, assumed or otherwise be reflected on a Consolidated balance sheet of the Parent and Proposed Acquisition Target after giving effect to such Proposed Acquisition, except (i) Loans made hereunder, (ii) ordinary course trade payables and accrued expenses and (iii) Indebtedness permitted under *Section 8.1 (Indebtedness)*;

(e) within 30 days after (or such later date as may be agreed to by the Administrative Agent, in its sole discretion) the date of the consummation of such Proposed Acquisition, each applicable Loan Party and the Proposed Acquisition Target and its Subsidiaries shall have executed such documents and taken such actions as may be required under *Sections 7.11 (Additional Collateral and Guaranties)* and *7.13 (Real Property)*;

(f) the Parent shall have delivered to the Administrative Agent, at least five Business Days prior to such Proposed Acquisition, such existing financial information, financial analysis, documentation or other existing information relating to such Proposed Acquisition as the Administrative Agent or any Lender shall reasonably request;

(g) on or prior to the date of the consummation of such Proposed Acquisition, the Administrative Agent shall have received copies of the acquisition agreement and, promptly thereafter (but in any event not later than 15 days after the consummation of such Proposed Acquisition or such later date as may be agreed to by the Administrative Agent in its sole discretion), all related Contractual Obligations, instruments and all opinions, certificates, lien search results and other documents reasonably requested by the Administrative Agent;

(h) on the date of the consummation of such Proposed Acquisition and after giving effect thereto, (i) no Default or Event of Default shall have occurred and be continuing and (ii) all representations and warranties contained in *Article IV (Representations and Warranties)* and in the other Loan Documents shall be true and correct in all material respects; and

(i) on the date of the consummation of such Proposed Acquisition and after giving effect thereto the Parent shall (i) be in compliance with *Article V (Financial Covenants)*, and (ii)

have a Leverage Ratio that is at least 0.25 to 1 less than the requirements of *Section 5.1 (Maximum Leverage Ratio)*, in each case, on a Pro Forma Basis after giving effect to such Proposed Acquisition (and with the Leverage Ratio recomputed as of the last day of the most recently ended Fiscal Quarter for which Financial Statements have been delivered pursuant to *Section 6.1(b) or (c) (Financial Statements)*).

"*Permitted Acquisition Notice*" means, in respect of any Permitted Acquisition, a notice from the Parent to the Administrative Agent delivered on or before such Permitted Acquisition that identifies (a) non-core assets to be acquired as part of such Permitted Acquisition that the Parent and its Subsidiaries intend and expect to dispose of within the 360 days next following the consummation of such Permitted Acquisition and (b) any Revolving Credit Borrowing (which may include those following a Facilities Increase) that were or will be made on or prior to the time of such Permitted Acquisition and the proceeds of which will be used to consummate such Permitted Acquisition.

"*Permitted Joint Venture*" means any Joint Venture (a) in which the investors, participants and each other holder of Stock and Stock Equivalents therein (other than the Loan Parties) participate on terms materially no more favorable than the terms applicable to the Loan Parties (other than solely due to the percentage of Stock or Stock Equivalents owned in such Joint Venture by each such Person and rights customarily incidental thereto), (b) that is not a Loan Party, that does not own Stock or Stock Equivalents in any Loan Party and no direct or indirect Subsidiary or Joint Venture of which is a Loan Party, (c) all of the Stock and Stock Equivalents of which shall be subject to Requisite Priority Liens, to the extent of the Loan Parties' interest therein as provided under the Collateral Documents and (d) in which no Loan Party shall be under any Contractual Obligation to make Investments or incur Guaranty Obligations in respect of such Joint Venture not permitted hereunder.

"*Permitted Reinvestment*" means, with respect to any Reinvestment Event, to make a Permitted Acquisition, make an investment in a Permitted Joint Venture or acquire (or make Capital Expenditures to finance the acquisition or improvement of), to the extent otherwise permitted hereunder, assets useful in the business of the Parent or any of its Subsidiaries or, if such Reinvestment Event is a Property Loss Event that is a loss or damage, to repair such loss or damage.

"*Person*" means an individual, partnership, corporation (including a business trust), joint stock company, estate, trust, limited liability company, unincorporated association, joint venture or other entity or a Governmental Authority.

"*Platform*" has the meaning specified in *Section 6.14 (Borrower Materials)*.

"*Pledge and Security Agreement*" means an agreement, in substantially the form of *Exhibit I (Form of Pledge and Security Agreement)*, executed by the Borrower and each Guarantor.

"*Pledged Debt Instruments*" has the meaning specified in the Pledge and Security Agreement.

"*Pledged Stock*" has the meaning specified in the Pledge and Security Agreement.

"*Pro Forma Basis*" means, with respect to any determination for any period, that such determination shall be made giving *pro forma* effect to each Permitted Acquisition consummated during such period and each Sale of Business consummated during such period (or, as the case may be, any specified Permitted Acquisition or Sale of Business), in each case together with all transactions relating thereto consummated during such period (including any incurrence, assumption, refinancing or repayment of Indebtedness), as if such acquisition, Sale of Business and related transactions had been consummated

on the first day of such period, in each case based on historical results accounted for in accordance with GAAP and, to the extent applicable, reasonable assumptions that are specified in details in the relevant Compliance Certificate, Financial Statement or other document provided to the Administrative Agent or any Lender in connection herewith in accordance with Regulation S-X of the Exchange Act, and other cost savings and pro forma adjustments reasonably acceptable to the Administrative Agent.

"*Proceeds*" has the meaning given to such term in the UCC.

"*Projections*" means those financial projections dated January 19, 2010 for the period from January 1, 2010 through March 31, 2015 (on a quarter by quarter basis through Fiscal Year 2011 and on a year by year basis thereafter), to be delivered to the Lenders by the Parent.

"*Property Loss Event*" means (a) any loss of or damage to property of the Parent or any of its Subsidiaries that results in the receipt by the Parent or such Subsidiary of proceeds of insurance whose Dollar Equivalent exceeds $3,000,000 (individually or in the aggregate) or (b) any taking of property of the Parent or any of its Subsidiaries that results in the receipt by such Person of a compensation payment in respect thereof whose Dollar Equivalent exceeds $3,000,000 (individually or in the aggregate).

"*Proposed Acquisition*" means the proposed acquisition (including by merger or consolidation) by the Parent or any of its Subsidiaries of all or substantially all of the assets or Stock of any Proposed Acquisition Target (including rights to a product line).

"*Proposed Acquisition Target*" means any Person or any operating division, ingredient, formula, product line or brand thereof subject to a Proposed Acquisition.

"*Proposed Discounted Prepayment Amount*" has the meaning specified in *Section 2.8(c)(ii) (Optional Prepayments)*.

"*Public Lender*" has the meaning specified in *Section 6.14 (Borrower Materials)*.

"*Purchasing Borrower Party*" means the Parent or any Subsidiary of the Parent that makes a Discounted Voluntary Prepayment pursuant to *Section 2.8(c) (Optional Prepayments)*.

"*Purchasing Lender*" has the meaning specified in *Section 11.7 (Sharing of Payments, Etc.)*.

"*Qualifying Lenders*" has the meaning specified in *Section 2.8(c)(iv) (Optional Prepayments)*.

"*Qualifying Loans*" has the meaning specified in *Section 2.8(c)(iv) (Optional Prepayments)*.

"*Ratable Portion*" or (other than in the expression "*equally and ratably*") "*ratably*" means, with respect to any Lender, (a) with respect to the Revolving Credit Facility, the percentage obtained by dividing (i) the Revolving Credit Commitment of such Lender by (ii) the aggregate Revolving Credit Commitments of all Lenders (or, at any time after the Revolving Credit Termination Date, the percentage obtained by dividing the aggregate Revolving Credit Outstandings owing to such Lender by the aggregate Revolving Credit Outstandings owing to all Lenders) and (b) with respect to the Term Loan Facility, the percentage obtained by dividing (i) the Term Loan Commitment of such Lender by (ii) the aggregate Term Loan Commitments of all Lenders (or, at any time after the Closing Date, the percentage

obtained by dividing the outstanding principal amount of such Lender's Term Loans by the aggregate outstanding principal amount of the Term Loans of all Lenders).

"*Real Property*" of any Person means the Land of such Person, together with the right, title and interest of such Person, if any, in and to the streets, the Land lying in the bed of any streets, roads or avenues, opened or proposed, in front of, the air space and development rights pertaining to the Land and the right to use such air space and development rights, all rights of way, privileges, liberties, tenements, hereditaments and appurtenances belonging or in any way appertaining thereto, all fixtures, all easements now or hereafter benefiting the Land and all royalties and rights appertaining to the use and enjoyment of the Land, including all alley, vault, drainage, mineral, water, oil and gas rights, together with all of the buildings and other improvements now or hereafter erected on the Land and any fixtures appurtenant thereto.

"*Register*" has the meaning specified in *Section 2.7(b) (Evidence of Debt)*.

"*Reimbursement Obligations*" means, as and when matured, the obligation of the Borrower to pay, on the date payment is made or scheduled to be made to the beneficiary under each such Letter of Credit (or at such other date as may be specified in the applicable Issuer Document) and in the currency drawn (or in such other currency as may be specified in the applicable Issuer Document), all amounts of each drafts and other requests for payments drawn under Letters of Credit, and all other matured reimbursement or repayment obligations of the Borrower to any Issuer with respect to amounts drawn under Letters of Credit.

"*Reinvestment Deferred Prepayment*" means, with respect to any Net Cash Proceeds of any Reinvestment Event, the portion of such Net Cash Proceeds that are subject to a Reinvestment Notice and the receipt of which would otherwise trigger a mandatory prepayment of the Loans, reduction of the Commitments or posting of cash collateral hereunder.

"*Reinvestment Event*" has the meaning specified in *Section 2.9(e) (Mandatory Prepayments)*.

"*Reinvestment Notice*" means a written notice executed by a Responsible Officer of the Parent with respect to a Reinvestment Event stating that no Event of Default has occurred and is continuing and that the Parent (directly or indirectly through one of its Subsidiaries) intends and expects to make Permitted Reinvestments in an amount not to exceed the Net Cash Proceeds of such Reinvestment Event.

"*Reinvestment Prepayment Amount*" means, on any Reinvestment Prepayment Date for any portion of any Reinvestment Deferred Prepayment, such portion of such Reinvestment Deferred Prepayment less any amount expended or required to be expended pursuant to a Contractual Obligation entered into prior to such Reinvestment Prepayment Date for such Net Cash Proceeds to make Permitted Reinvestments using such Net Cash Proceeds.

"*Reinvestment Prepayment Date*" means, with respect to a portion of the Reinvestment Deferred Prepayment of any Net Cash Proceeds of a Reinvestment Event, the earliest of (a) the date occurring 365 days after such Reinvestment Event, (b) the date that is five Business Days after the date on which the Parent shall have notified the Administrative Agent of the Parent's determination not to make Permitted Reinvestments with such portion of such Reinvestment Deferred Prepayment and (c) the first date after such Reinvestment Event upon which an Event of Default shall have occurred and is continuing.

"*Related Parties*" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of such Person and of such Person's Affiliates.

"*Release*" means, with respect to any Person, any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration, in each case, of any Contaminant into the indoor or outdoor environment or into or out of any property owned, leased or operated by such Person, including the movement of Contaminants through or in the air, soil, surface water, ground water or property.

"*Remedial Action*" means all actions required to (a) clean up, remove, treat or in any other way address any Contaminant in the indoor or outdoor environment, (b) prevent the Release or threat of Release or minimize the further Release so that a Contaminant does not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment or (c) perform pre-remedial studies and investigations and post-remedial monitoring and care.

"*Requirement of Law*" means, with respect to any Person, the common law and all federal, state, local and foreign laws, treaties, rules and regulations, orders, judgments, decrees and other determinations of, concessions, grants, franchises, licenses and other Contractual Obligations (other than purchase, sale and distribution contracts entered into in the ordinary course of business) with, any Governmental Authority or arbitrator, applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"*Requisite Lenders*" means, collectively, subject to the limitations set forth in *Section 11.1(d) (Amendments, Waivers, Etc.)*, Revolving Credit Lenders and Term Loan Lenders having (a) on and prior to the Closing Date, more than fifty percent (50%) of the sum of the aggregate Revolving Credit Commitments then outstanding and the aggregate Term Loan Commitments then outstanding, (b) after the Closing Date and on and prior to the Revolving Credit Termination Date, more than fifty percent (50%) of the sum of the aggregate outstanding amount of the Revolving Credit Commitments and the principal amount of all Term Loans then outstanding and (c) after the Revolving Credit Termination Date, more than fifty percent (50%) of the sum of the aggregate Revolving Credit Outstandings and the principal amount of all Term Loans then outstanding; *provided* that the Revolving Credit Commitments, Term Loan Commitments, Revolving Credit Outstandings and principal amount of all Term Loans then held by any Defaulting Lender at such time shall be excluded for purposes of making a determination of "Requisite Lenders".

"*Requisite Priority Liens*" means, collectively, a valid and perfected first-priority security interest in favor of the Administrative Agent for the benefit of the Secured Parties and securing the Secured Obligations.

"*Requisite Revolving Credit Lenders*" means, collectively, Revolving Credit Lenders having more than fifty percent (50%) of the aggregate outstanding amount of the Revolving Credit Commitments or, after the Revolving Credit Termination Date, more than fifty percent (50%) of the aggregate Revolving Credit Outstandings; *provided* that the Revolving Credit Commitments and Revolving Credit Outstandings, as the case may be, held by any Defaulting Lender shall be excluded for purposes of making a determination of "Requisite Revolving Credit Lenders".

"*Requisite Term Loan Lenders*" means, collectively, Term Loan Lenders having more than 50% of the aggregate outstanding amount of the Term Loan Commitments or, after the Closing Date, more than fifty percent (50%) of the principal amount of all Term Loans then outstanding; *provided* that

the Term Loan Commitments or principal amount of Term Loans held by any Defaulting Lender shall be excluded for purposes of making a determination of "Requisite Term Loan Lenders".

"*Responsible Officer*" means, with respect to any Person, any of the principal executive officers, managing members or general partners of such Person but, in any event, with respect to financial matters, the chief financial officer of such Person.

"*Restricted Payment*" means (a) any dividend, distribution or any other payment whether direct or indirect, on account of any Stock or Stock Equivalent of the Parent or any of its Subsidiaries now or hereafter outstanding and (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any Stock or Stock Equivalent of the Parent or any of its Subsidiaries now or hereafter outstanding.

"*Restricted Payment Allowance*" means, at any time, the amount, if any, by which (a) the sum of (i) 50% of the Consolidated Net Income (to the extent such Consolidated Net Income shall be positive) of the Borrower accrued commencing on January 1, 2010 through the last day of the most recently ended Fiscal Quarter or Fiscal Year for which Financial Statements have been delivered pursuant to *Section 6.1(b)* or *(c) (Financial Statements)*, (ii) the Net Equity Investment at such time and (iii) $60,000,000 exceeds (b) 100% of the deficit in Consolidated Net Income (to the extent such Consolidated Net Income shall be a deficit) of the Borrower accrued commencing on January 1, 2010 through the last day of the most recently ended Fiscal Quarter or Fiscal Year for which Financial Statements have been delivered pursuant to *Section 6.1(b)* or *(c) (Financial Statements)*.

"*Revolving Credit Borrowing*" means a borrowing consisting of Revolving Loans made on the same day by the Revolving Credit Lenders ratably according to their respective Revolving Credit Commitments.

"*Revolving Credit Commitment*" means, with respect to each Revolving Credit Lender, the commitment of such Revolving Credit Lender to make Revolving Loans and acquire interests in other Revolving Credit Outstandings in the aggregate principal amount outstanding not to exceed the amount set forth opposite such Revolving Credit Lender's name on *Schedule I (Commitments)* under the caption "*Revolving Credit Commitment*" (as amended to reflect each Assignment and Acceptance executed by such Revolving Credit Lender) as such amount may be reduced pursuant to this Agreement, and each additional commitment by such Revolving Credit Lender in the Revolving Credit Facility that is included as part of any Facilities Increase, as such amount may be reduced pursuant to this Agreement.

"*Revolving Credit Facility*" means the Revolving Credit Commitments and the provisions herein related to the Revolving Loans, Swing Loans and Letters of Credit.

"*Revolving Credit Lender*" means each Lender that (a) has a Revolving Credit Commitment, (b) holds a Revolving Loan or (c) participates in any Letter of Credit.

"*Revolving Credit Note*" means a promissory note of the Borrower payable to the order of any Revolving Credit Lender in a principal amount equal to the amount of such Revolving Credit Lender's Revolving Credit Commitment evidencing the aggregate Indebtedness of the Borrower to such Revolving Credit Lender resulting from the Revolving Loans owing to such Revolving Credit Lender.

"*Revolving Credit Outstandings*" means, at any particular time, the sum of (a) the principal amount of the Revolving Loans outstanding at such time, (b) the Letter of Credit Obligations outstanding at such time and (c) the principal amount of the Swing Loans outstanding at such time.

"*Revolving Credit Termination Date*" shall mean the earliest of (a) the Scheduled Termination Date, (b) the date of termination of all of the Revolving Credit Commitments pursuant to *Section 2.5 (Termination of the Commitments)* and (c) the date on which the Obligations become due and payable pursuant to *Section 9.2 (Remedies)*.

"*Revolving Loan*" has the meaning specified in *Section 2.1 (The Commitments)*.

"*S&P*" means Standard & Poor's Rating Services.

"*Sale of Business*" means the sale of all or substantially all of the Stock of, or all or substantially all of the assets of, any Person or the sale of any division, line of business, brand or product line.

"*Sarbanes-Oxley Act*" means the United States Sarbanes-Oxley Act of 2002.

"*Scheduled Termination Date*" means March 24, 2015.

"*Secured Cash Management Obligation*" means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of such Person in respect of cash management services (including treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management arrangements) provided by any Secured Deposit Account Bank, including obligations for the payment of fees, interest, charges, expenses, attorneys' fees and disbursements in connection therewith.

"*Secured Deposit Account Bank*" means the Administrative Agent, a Revolving Credit Lender or any Affiliate of the foregoing on the date that the applicable Deposit Account is entered into.

"*Secured Hedging Contract Obligations*" means each liability, amount, obligation, covenant and duty owing by any Loan Party, of every type and description, present or future, arising under each Hedging Contract with any Person that was a Lender or an Affiliate of any such Lender at the time such Person entered into such Hedging Contract, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired and whether or not evidenced by any note, guaranty or other instrument or for the payment of money, including obligations for the payment of fees, interest, charges, expenses, attorneys' fees and disbursements and other sums chargeable to any Loan Party in connection therewith.

"*Secured Obligations*" means, (a) in the case of the Borrower, the Obligations, the Secured Cash Management Obligations and the Secured Hedging Contract Obligations of the Borrower and (b) in the case of any other Loan Party, the obligations of such Loan Party under the Guaranty and the other Loan Documents to which it is a party and the Secured Cash Management Obligations and Secured Hedging Contract Obligations of such Loan Party; *provided* shall in each case include all interest and fees accruing after commencement of any bankruptcy or insolvency proceeding against any Loan Party, whether or not allowed in such proceeding.

"*Secured Parties*" means the Lenders, the Issuers, the Administrative Agent and each other holder of any Secured Obligation.

"*Securities Account*" has the meaning given to such term in the UCC.

"*Securities Account Control Agreement*" has the meaning specified in the Pledge and Security Agreement.

"*Security*" means any Stock, Stock Equivalent, voting trust certificate, bond, debenture, note or other evidence of Indebtedness, whether secured, unsecured, convertible or subordinated, or any certificate of interest, share or participation in, any temporary or interim certificate for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing, but shall not include any evidence of the Obligations.

"*Selling Lender*" has the meaning specified in *Section 11.7 (Sharing of Payments, Etc.)*.

"*Senior Notes*" means the 8.25% Senior Notes due 2018, issued by the Borrower in Dollars and governed by the terms of the Senior Notes Indenture.

"*Senior Notes Document*" means each of the Senior Notes, the Senior Notes Indenture and any other agreement, certificate, power of attorney or document related to any of the foregoing.

"*Senior Notes Indenture*" means the Indenture, dated as of the Closing Date, among the Borrower, the Guarantors and U.S. Bank National Association, as trustee.

"*Senior Notes Offering Memorandum*" means the final offering memorandum, dated March 10, 2010, in connection with the offering of the Senior Notes.

"*Service Contractors*" has the meaning specified in *Section 4.17(a) (Environmental Matters)*.

"*Solvent*" means, with respect to any Person as of any date of determination, that, as of such date, (a) the value of the assets of such Person (both at fair value and present fair saleable value) is greater than the total amount of liabilities (including contingent and unliquidated liabilities) of such Person, (b) such Person is able to pay all liabilities of such Person as such liabilities mature and (c) such Person does not have unreasonably small capital. In computing the amount of contingent or unliquidated liabilities at any time, such liabilities shall be computed at the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (in each case as interpreted in accordance with fraudulent conveyance, bankruptcy, insolvency and similar laws and other applicable Requirements of Law).

"*Special Purpose Vehicle*" means any special purpose funding vehicle identified as such in writing from time to time by a Lender to the Administrative Agent and the Borrower.

"*Standby Letter of Credit*" means any Letter of Credit that is not a Commercial Letter of Credit.

"*Stock*" means shares of capital stock (whether denominated as common stock or preferred stock), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity, whether voting or non-voting.

"*Stock Equivalents*" means all securities convertible into or exchangeable for Stock and all warrants, options or other rights to purchase or subscribe for any Stock, whether or not presently convertible, exchangeable or exercisable.

"*Subordinated Debt*" means, in each case to the extent permitted to be incurred by such Loan Party hereunder, (a) Additional Permitted Debt of the Borrower or any Guarantor, (b) Indebtedness

of any Loan Party under the Existing Senior Subordinated Notes or the Additional Permitted Debt Documents, (c) Indebtedness of any Loan Party permitted to be incurred under *clause (m)* or *(n)* of *Section 8.1 (Indebtedness)*, and (d) any other Indebtedness of any Loan Party that is expressly subordinated in right of payment to any of the Secured Obligations or is scheduled to mature not earlier than the first anniversary of the then Latest Maturity Date.

"*Subordinated Debt Document*" means each of the Existing Senior Subordinated Notes and the Additional Permitted Debt Documents and any note, indenture, credit agreement related to any Subordinated Debt, and any other agreement, certificate, power of attorney, or document related to any of the foregoing.

"*Subsidiary*" means, with respect to any Person, any corporation, partnership, limited liability company or other business entity of which an aggregate of more than 50% of the outstanding Voting Stock is, at the time, directly or indirectly, owned or controlled by such Person or one or more Subsidiaries of such Person.

"*Subsidiary Guarantor*" means each Subsidiary of the Parent (other than the Borrower) that is party to or that becomes party to the Guaranty.

"*Substitute Institution*" has the meaning specified in *Section 2.17 (Substitution of Lenders)*.

"*Substitution Notice*" has the meaning specified in *Section 2.17 (Substitution of Lenders)*.

"*Swing Loan*" has the meaning specified in *Section 2.3 (Swing Loans)*.

"*Swing Loan Lender*" means Bank of America or any other Revolving Credit Lender that agrees, with the approval of the Administrative Agent and the Borrower, to act as the Swing Loan Lender hereunder, in each case in its capacity as the Swing Loan Lender hereunder.

"*Swing Loan Request*" has the meaning specified in *Section 2.3(b) (Swing Loans)*.

"*Swing Loan Sublimit*" means $7,500,000.

"*Syndication Agent*" has the meaning specified in the preamble hereto.

"*Syndication Completion Date*" means the earlier to occur of (a) the 15th day following the Closing Date and (b) the date upon which the Arrangers determine in their sole reasonable discretion that the primary syndication of the Loans and Revolving Credit Commitments has been completed.

"*Tax Affiliate*" means, with respect to any Person, (a) any Subsidiary of such Person and (b) any Affiliate of such Person with which such Person files or is eligible to file consolidated, combined or unitary tax returns.

"*Tax Returns*" has the meaning specified in *Section 4.8(a) (Taxes)*.

"*Taxes*" has the meaning specified in *Section 2.16(a) (Taxes)*.

"*Tender Offer*" has the meaning specified in *Section 3.1(d) (Conditions Precedent to Initial Loans and Letters of Credit)*.

"*Term Loan*" means any loan made to the Borrower pursuant to *Section 2.1(b)(i), (b)(ii) or (c) (The Commitments)*.

"*Term Loan Borrowing*" means a borrowing consisting of Term Loans made on the same day by the Term Loan Lenders.

"*Term Loan Commitment*" with respect to each Term Loan Lender, means (a) the commitment of such Lender to make Term Loans to the Borrower on the Closing Date in the aggregate principal amount outstanding not to exceed the amount set forth opposite such Lender's name on *Schedule I (Commitments)* under the caption "*Term Loan Commitment*" (as amended to reflect each Assignment and Acceptance executed by such Lender), as such amount may be reduced pursuant to this Agreement, and (b) any commitment by such Lender that is included as part of a Facilities Increase to make Term Loans on any Facilities Increase Date, as such amount may be reduced pursuant to this Agreement.

"*Term Loan Commitment Termination Date*" means, with respect to any term commitment of any Lender or prospective Lender, (a) if such commitment is entered into as part of a Facilities Increase, the earlier of the date agreed by the Borrower and the Administrative Agent to be the date of termination of the commitments for such Facilities Increase, any termination date expressly set forth in the commitment letter for such commitment and the Facilities Increase Date for such Facilities Increase after the incurrence of any Term Loan on such date and (b) in the case of any other commitment (including any Term Loan Commitment existing on or prior to the Closing Date), the Closing Date, after the incurrence of any Term Loan on such date.

"*Term Loan Facility*" means the Term Loan Commitments and the provisions herein related to the Term Loans.

"*Term Loan Lender*" means each Lender that has a Term Loan Commitment or that holds a Term Loan.

"*Term Loan Maturity Date*" means the sixth anniversary of the Closing Date.

"*Term Loan Note*" means a promissory note of the Borrower payable to the order of any Term Loan Lender in a principal amount equal to the amount of the Term Loan owing to such Lender.

"*Title IV Plan*" means a pension plan, other than a Multiemployer Plan, covered by Title IV of ERISA and to which the Parent any of its Subsidiaries or any ERISA Affiliate has any obligation or liability, contingent or otherwise.

"*Transactions*" means the transactions contemplated in connection with the closing of the Facilities, the issuance of the Senior Notes, the refinancing of the Existing Credit Agreement and the refinancing of the Existing Senior Subordinated Notes (including the tender offer and consent solicitation related to the Existing Senior Subordinated Notes).

"*UCC*" has the meaning specified in the Pledge and Security Agreement.

"*Unfinanced Capital Expenditures*" means, with respect to any Person for any period, the Capital Expenditures of such Person in such period other than the portion of such Capital Expenditures financed with the Net Cash Proceeds of (a) Capital Leases or other Indebtedness (other than any Secured Obligation) of the Parent or any of its Subsidiaries, (b) Equity Issuances (but only to the extent of that portion of the Net Cash Proceeds of which have not previously been (and are not simultaneously being) applied to make Investments pursuant to *Section 8.3(m) (Investments)*, to make Restricted Payments pur-

suant to *Section 8.5(c)(iii) (Restricted Payments)* or to make other Capital Expenditures pursuant to this clause (b)) or (c) Reinvestment Events; *provided*, *however*, that, (x) in the case of Capital Leases, Indebtedness and Equity Issuances, the incurrence thereof is permitted under this Agreement and the receipt of such Net Cash Proceeds does not cause a mandatory prepayment of the Obligations pursuant to *Section 2.9 (Mandatory Prepayments)* and (y) in the case of Reinvestment Events, to the extent the financing of Capital Expenditures with the Net Cash Proceeds thereof is a Permitted Reinvestment of such Net Cash Proceeds permitted pursuant to *Section 2.9(e) (Mandatory Prepayments)*.

"*Unused Commitment Fee*" has the meaning specified in *Section 2.12 (Fees)*.

"*U.S. Lender*" means each Lender, Issuer or Agent that is a Domestic Person.

"*Voting Stock*" means Stock of any Person having ordinary power to vote in the election of members of the board of directors, managers, trustees or other controlling Persons, of such Person (irrespective of whether, at the time, Stock of any other class or classes of such entity shall have or might have voting power by reason of the happening of any contingency).

"*Wholly-Owned Subsidiary*" of any Person means any Subsidiary of such Person, all of the Stock of which (other than Nominal Shares) is owned by such Person, either directly or indirectly through one or more Wholly-Owned Subsidiaries of such Person.

"*Withdrawal Liability*" means, with respect to the Parent or any of its Subsidiaries at any time, the aggregate liability incurred (whether or not assessed) with respect to all Multiemployer Plans pursuant to Section 4201 of ERISA or for increases in contributions required to be made pursuant to Section 4243 of ERISA.

"*Working Capital*" means, for any Person at any date, the amount, if any, by which the Consolidated Current Assets of such Person at such date exceeds the Consolidated Current Liabilities of such Person at such date.

Section 1.2 Computation of Time Periods

In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "*from*" means "*from and including*" and the words "*to*" and "*until*" each mean "*to but excluding*" and the word "*through*" means "*to and including*."

Section 1.3 Accounting Terms and Principles

(a) Except as set forth below, all accounting terms not specifically defined herein shall be construed in conformity with GAAP and all accounting determinations required to be made pursuant hereto (including for purpose of measuring compliance with *Article V (Financial Covenants)*) shall, unless expressly otherwise provided herein, be made in conformity with GAAP, except for the use of purchase accounting principles (as set forth in Statements 16 (Prior Period Adjustments) and 17 (Accounting for Leases) of the U.S. Financial Accounting Standards Board and the U.S. Statements of Financial Accounting Standards 142 (regarding the elimination of goodwill amortization) and 143 (regarding accounting for asset-retirement obligations)) and for the classification as liabilities mandatorily redeemable Stock and other debt-like financial instruments (as set forth in the U.S. Statement of Financial Accounting Standard 150).

(b) If any change in the accounting principles used in the preparation of the most recent Financial Statements referred to in *Section 6.1 (Financial Statements)* is hereafter required or permit-

ted by the rules, regulations, pronouncements and opinions of the Financial Accounting Standards Board or the American Institute of Certified Public Accountants (or any successors thereto) and such change is adopted by the Parent or any of its Subsidiaries with the agreement of the Borrower's Accountants and results in a change in any of the calculations required by *Article V (Financial Covenants)* or *VIII (Negative Covenants)* that would not have resulted had such accounting change not occurred, the parties hereto agree to enter into negotiations in order to amend such provisions so as to equitably reflect such change such that the criteria for evaluating compliance with such covenants shall be the same after such change as if such change had not been made; *provided*, *however*, that no change in GAAP that would affect a calculation that measures compliance with any covenant contained in *Article V (Financial Covenants)* or *VIII (Negative Covenants)* shall be given effect until such provisions are amended to reflect such changes in GAAP.

(c) For purposes of making all financial calculations to determine compliance with *Article V (Financial Covenants)*, all components of such calculations (other than Capital Expenditures) shall be adjusted to include or exclude, as the case may be, without duplication, such components of such calculations attributable to any business or assets that have been acquired by the Parent or any of its Subsidiaries (including through any Permitted Acquisition) or that have been sold pursuant to any Sale of Business either (i) on or before the Closing Date or (ii) after the first day of the applicable period of determination and prior to the end of such period, in each case as determined in good faith by the Parent on a Pro Forma Basis.

Section 1.4 Conversion of Foreign Currencies

(a) *Financial Covenant Debt*. Financial Covenant Debt denominated in any currency other than Dollars shall be calculated using the Dollar Equivalent thereof as of the date of the Financial Statements on which such Financial Covenant Debt is reflected.

(b) *Dollar Equivalents*. The Administrative Agent shall determine the Dollar Equivalent of any amount as required hereby, and a determination thereof by the Administrative Agent shall be conclusive absent manifest error. The Administrative Agent may, but shall not be obligated to, rely on any determination made by any Loan Party in any document delivered to the Administrative Agent. The Administrative Agent may determine or redetermine the Dollar Equivalent of any amount on any date either in its own discretion or upon the request of any Lender or Issuer.

(c) *Rounding-Off*. The Administrative Agent may set up appropriate rounding-off mechanisms or otherwise round off amounts hereunder to the nearest higher or lower amount in whole Dollar or cent to ensure amounts owing by any party hereunder or that otherwise need to be calculated or converted hereunder are expressed in whole Dollars or in whole cents, as may be necessary or appropriate.

Section 1.5 Certain Terms

(a) The terms "*herein*," "*hereof*," "*hereto*" and "*hereunder*" and similar terms refer to this Agreement as a whole and not to any particular Article, Section, subsection or clause in, this Agreement.

(b) Unless otherwise expressly indicated herein, (i) references in this Agreement to an Exhibit, Schedule, Article, Section, clause or sub-clause refer to the appropriate Exhibit or Schedule to, or Article, Section, clause or sub-clause in this Agreement and (ii) the words "*above*" and "*below*," when following a reference to a clause or a sub-clause of any Loan Document, refer to a clause or sub-clause within, respectively, the same Section or clause.

(c) Each agreement defined in this *Article I* shall include all appendices, exhibits and schedules thereto. Unless the prior written consent of the Requisite Lenders or any Agent is required hereunder for an amendment, restatement, supplement or other modification to any such agreement and such consent is not obtained, references in this Agreement to such agreement shall be to such agreement as so amended, restated, supplemented or modified.

(d) References in this Agreement to any Requirement of Law shall be to such Requirement of Law as amended or modified from time to time and to any successor legislation thereto, in each case as in effect at the time any such reference is operative.

(e) The term "*including*" when used in any Loan Document means "*including without limitation*" except when used in the computation of time periods.

(f) The terms "*Lender*," "*Revolving Credit Lender*," "*Term Loan Lender*," "*Issuer*," "*Agent*," "*Administrative Agent*" and "*Syndication Agent*" include, without limitation, their respective successors.

(g) Upon the appointment of any successor Administrative Agent pursuant to *Section 10.6 (Resignation of Administrative Agent)*, references to Bank of America in the definitions of Base Rate, Dollar Equivalent and Eurodollar Rate shall be deemed to refer to the financial institution then acting as the Administrative Agent or one of its Affiliates if it so designates.

Section 1.6 Letter of Credit Amounts

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; *provided, however*, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II

THE FACILITIES

Section 2.1 The Commitments

(a) Revolving Credit Commitments. On the terms and subject to the conditions contained in this Agreement, each Revolving Credit Lender severally agrees to make loans in Dollars (each a "*Revolving Loan*") to the Borrower from time to time on any Business Day during the period from the date hereof until the Revolving Credit Termination Date in an aggregate principal amount at any time outstanding for all such loans by such Revolving Credit Lender not to exceed such Revolving Credit Lender's Revolving Credit Commitment; *provided, however*, that at no time shall any Revolving Credit Lender be obligated to make a Revolving Loan in excess of such Revolving Credit Lender's Ratable Portion of the Available Credit. Within the limits of the Revolving Credit Commitment of each Revolving Credit Lender, amounts of Revolving Loans repaid may be reborrowed under this *Section 2.1*.

(b) *Term Loan Commitments*.

(i) On the terms and subject to the conditions contained in this Agreement, each Term Loan Lender severally agrees to make a loan in Dollars to the Borrower on the Closing Date in an amount not to exceed such Lender's Term Loan Commitment on such date.

(ii) Each Lender having, in its sole discretion, committed to a Facilities Increase shall agree as part of such commitment that, on the Facilities Increase Date for such Facilities Increase of the Term Loan Facility, on the terms and subject to the conditions set forth in its commitment therefor or otherwise agreed to as part of such commitment or set forth in this Agreement as amended in connection with such Facilities Increase, such Lender shall make a loan in Dollars to the Borrower in an amount not to exceed such commitment to such Facilities Increase.

(iii) Amounts of Term Loans prepaid or repaid may not be reborrowed.

(c) *Facilities Increase*.

(i) The Borrower shall have the right to send to the Administrative Agent, after the Closing Date, a Facilities Increase Notice to request an increase (each, a "*Facilities Increase*") in the aggregate Revolving Credit Commitments or the disbursement of additional Term Loans in excess of the Term Loans disbursed on the Closing Date, in a principal amount not to exceed $200,000,000 in the aggregate for all such requests made after the Closing Date; *provided*, *however*, that (A) no Facilities Increase in the Revolving Credit Facility shall be effective later than one year prior to the Scheduled Termination Date, (B) no Facilities Increase in the Term Loan Facility shall be effective later than one year prior to the Term Loan Maturity Date, (C) no Facilities Increase shall be effective earlier than 10 days after the delivery of the Facilities Increase Notice to the Administrative Agent in respect of such Facilities Increase and (D) no more than four Facilities Increases shall be made pursuant to this *clause (c)*. Nothing in this Agreement shall be construed to obligate any Lender to negotiate for (whether or not in good faith), solicit, provide or consent to any increase in the Commitments, and any such increase may be subject to changes in any term herein.

(ii) The terms and provisions of each Facilities Increase shall be as follows:

(A) terms and provisions of each Facilities Increase of Term Loans ("*Incremental Term Loans*") shall be, except as otherwise set forth herein or in the Increase Joinder, identical to the Term Loans made on the Closing Date (it being understood that Incremental Term Loans may be a part of the Term Loans);

(B) the terms and provisions of Revolving Loans made pursuant to new Commitments shall be identical to the Revolving Loans;

(C) the weighted average life to maturity of any Incremental Term Loans shall be no shorter than the weighted average life to maturity of the existing Term Loans;

(D) the maturity date of Incremental Term Loans shall not be earlier than the Term Loan Maturity Date;

(E) the Applicable Margins for the Incremental Term Loans shall be determined by Borrower and the Lenders of the Incremental Term Loans; *provided* that in the event that the Applicable Margins for any Incremental Term Loans are greater than the Applicable Margins for the Term Loans by 50 basis points, then the Applicable Margins for the Term Loans shall be in-

creased to the extent necessary so that the Applicable Margins for the Incremental Term Loans do not exceed the Applicable Margins for the Term Loans by more than 50 basis points, and Applicable Margins for Revolving Loans shall be increased by a like amount; *provided*, *further*, that in determining the Applicable Margins applicable to the Term Loans and the Incremental Term Loans, (x) original issue discount ("*OID*") or upfront fees (which shall be deemed to constitute like amounts of OID) payable by Borrower to the Lenders of the Term Loans or the Incremental Term Loans in the primary syndication thereof shall be included (with OID being equated to interest based on an assumed four-year life to maturity) and (y) customary arrangement or commitment fees payable to the Arrangers (or their affiliates) in connection with the Term Loans or to one or more arrangers (or their affiliates) of the Incremental Term Loans shall be excluded;

(F) except as provided in *subclause (E)* above, the components of the interest rate or yield for the Incremental Term Loans shall be identical to those for the existing Term Loans; and

(G) to the extent that the terms and provisions of Incremental Term Loans are not identical to the Term Loans (except to the extent permitted by *subclause (C)*, *(D)* or *(E)* above) they shall be reasonably satisfactory to the Administrative Agent.

(iii) The Administrative Agent shall promptly notify each Lender of the proposed Facilities Increase and of the proposed terms and conditions therefor agreed between the Borrower and the Administrative Agent. Each such Lender (and each of their Affiliates and Approved Funds) may, in its sole discretion, commit to participate in such Facilities Increase by forwarding its commitment to the Administrative Agent therefor in form and substance satisfactory to the Administrative Agent. The Administrative Agent shall allocate, in its sole discretion but in amounts not to exceed for each such Lender the commitment received from such Lender, the Commitments to be made as part of the Facilities Increase to the Lenders from which it has received such written commitments. If the Administrative Agent does not receive enough commitments from existing Lenders or their Affiliates or Approved Funds, it may, after consultation with the Borrower, allocate to Eligible Assignees any excess of the proposed amount of such Facilities Increase agreed with the Borrower over the aggregate amounts of the commitments received from existing Lenders.

(iv) The increased or new Commitments shall be effected by a joinder agreement (the "*Increase Joinder*") executed by Borrower, the Administrative Agent and each Lender making such increased or new Commitment, in form and substance satisfactory to each of them. The Increase Joinder may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this *Section 2.1(c)*. In addition, unless otherwise specifically provided herein, all references in Loan Documents to Revolving Loans or Term Loans shall be deemed, unless the context otherwise requires, to include references to Revolving Loans made pursuant to new Commitments and Term Loans, respectively, made pursuant to this Agreement.

(v) Each Facilities Increase shall become effective on a date agreed by the Borrower and the Administrative Agent (each, a "*Facilities Increase Date*"), which shall be in any case on or after the date of satisfaction of the conditions precedent set forth in *Section 3.3 (Conditions Precedent to Each Facilities Increase)*. The Administrative Agent shall notify the Lenders and the Borrower, at or before 1:00 p.m. (New York City time) on the day following the Facilities Increase Date of the effectiveness of the Facilities Increase on the Facilities Increase Date and shall record in the Register all applicable additional information in respect of such Facilities Increase.

(vi) On the Facilities Increase Date for any Facilities Increase in the Revolving Credit Facility, each Lender or Eligible Assignee participating in such Facilities Increase shall purchase from

each existing Revolving Credit Lender having Revolving Loans outstanding on such Facilities Increase Date, without recourse or warranty, an undivided interest and participation, to the extent of such Revolving Credit Lender's Ratable Portion of the new Revolving Credit Commitments (after giving effect to such Facilities Increase), in the aggregate outstanding Revolving Loans, so as to ensure that, on the Facilities Increase Date after giving effect to such Facilities Increase, each Revolving Credit Lender is owed only its Ratable Portion of the Revolving Loans outstanding on such Facilities Increase Date.

(vii) The Loans and Commitments established pursuant to this *Section 2.1(c)* shall constitute Loans and Commitments under, and shall be entitled to all the benefits afforded by, this Agreement and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from the Guaranties and security interests created by the Collateral Documents, except that the new Loans may be subordinated in right of payment or the Liens securing the new Loans may be subordinated, in each case, if and to the extent set forth in the Increase Joinder. The Loan Parties shall take any actions reasonably required by the Administrative Agent to ensure and/or demonstrate that the Lien and security interests granted by the Collateral Documents continue to be perfected under the UCC or otherwise after giving effect to the establishment of any such Term Loans or any such new Commitments.

Section 2.2 Borrowing Procedures

(a) Each Borrowing shall be made on notice given by the Borrower to the Administrative Agent not later than 11:00 a.m. (New York time) (i) on the date of the proposed Borrowing, which shall be a Business Day, in the case of a Borrowing of Base Rate Loans and (ii) three Business Days, in the case of a Borrowing of Eurodollar Rate Loans, prior to the date of the proposed Borrowing. Each such notice shall be in substantially the form of *Exhibit C (Form of Notice of Borrowing)* (a "*Notice of Borrowing*"), specifying (A) the date of such proposed Borrowing (which, in the case of a Term Loan Borrowing that is not made as part of a Facilities Increase, shall be the Closing Date and, in the case of any Term Loan Borrowing that is made as part of a Facilities Increase, shall be the Facilities Increase Date for such Facilities Increase), (B) the aggregate amount of such proposed Borrowing, (C) whether any portion of the proposed Borrowing will be of Base Rate Loans or Eurodollar Rate Loans and (D) for each Eurodollar Rate Loan, the initial Interest Period or Periods thereof. Loans shall be made as Base Rate Loans unless, subject to *Section 2.14 (Special Provisions Governing Eurodollar Rate Loans)*, the Notice of Borrowing specifies that all or a portion thereof shall be Eurodollar Rate Loans. Notwithstanding anything to the contrary contained in *Section 2.3(a) (Swing Loans)*, if any Notice of Borrowing requests a Revolving Credit Borrowing of Base Rate Loans, the Administrative Agent may (but in no event shall be obligated to) make a Swing Loan available to the Borrower in an aggregate amount not to exceed such proposed Revolving Credit Borrowing, and the aggregate amount of the corresponding proposed Revolving Credit Borrowing shall be reduced accordingly by the principal amount of such Swing Loan. Each Borrowing shall be in an aggregate amount of not less than $1,000,000 or an integral multiple of $100,000 in excess thereof.

(b) The Administrative Agent shall give to each Lender prompt notice of the Administrative Agent's receipt of a Notice of Borrowing and, if Eurodollar Rate Loans are properly requested in such Notice of Borrowing, the applicable interest rate determined pursuant to *Section 2.14(a) (Special Provisions Governing Eurodollar Rate Loans)*. Each Lender shall, before 11:00 a.m. (New York time) with respect to Eurodollar Rate Loans or 2:00 p.m. (New York time) with respect to Base Rate Loans on the date of the proposed Borrowing, make available to the Administrative Agent at its address referred to in *Section 11.8 (Notices, Etc.)*, in immediately available funds, such Lender's Ratable Portion of such proposed Borrowing. Upon fulfillment (or due waiver in accordance with *Section 11.1 (Amendments, Waivers, Etc.)*) (i) on the Closing Date, of the applicable conditions set forth in *Section 3.1 (Conditions Precedent to Initial Loans and Letters of Credit)* and (ii) at any time (including the Closing Date), of the

applicable conditions set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)*, and after the Administrative Agent's receipt of such funds, the Administrative Agent shall make such funds available to the Borrower.

(c) Unless the Administrative Agent shall have received notice from a Lender prior to the date (same date by 12:00 p.m. (New York time) for Base Rate Loans) of any proposed Borrowing that such Lender will not make available to the Administrative Agent such Lender's Ratable Portion of such Borrowing (or any portion thereof), the Administrative Agent may assume that such Lender has made such Ratable Portion available to the Administrative Agent on the date of such Borrowing in accordance with this *Section 2.2* and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such Ratable Portion available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith on demand (and, in the case of the Borrower, within three Business Days after receipt of such demand) such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to the Loans comprising such Borrowing and (ii) in the case of such Lender, the Federal Funds Rate for the first Business Day and thereafter at the interest rate applicable at the time to the Loans comprising such Borrowing. If such Lender shall repay to the Administrative Agent such corresponding amount, such corresponding amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement. If the Borrower shall repay to the Administrative Agent such corresponding amount, such payment shall not relieve such Lender of any obligation it may have hereunder to the Borrower.

(d) The failure of any Lender to make on the date specified any Loan or any payment required by it, including any payment in respect of its participation in Swing Loans and Letter of Credit Obligations, shall not relieve any other Lender of its obligations to make such Loan or payment on such date but no such other Lender shall be responsible for the failure of any Defaulting Lender to make a Loan or payment required under this Agreement.

Section 2.3 Swing Loans

(a) On the terms and subject to the conditions contained in this Agreement, the Swing Loan Lender may, in its sole discretion, make, in Dollars, loans (each a "*Swing Loan*") otherwise available to the Borrower under the Revolving Credit Facility from time to time on any Business Day during the period from the date hereof until the Revolving Credit Termination Date in an aggregate principal amount at any time outstanding (together with the aggregate outstanding principal amount of any other Loan made by the Swing Loan Lender hereunder in its capacity as a Lender or the Swing Loan Lender) not to exceed the Swing Loan Sublimit; *provided*, *however*, that at no time shall the Swing Loan Lender make any Swing Loan in excess of the Available Credit. Each Swing Loan shall be a Base Rate Loan. Each Swing Loan shall mature no later than the earlier of (x) the date ten (10) Business Days after such Swing Loan is made and (y) the Revolving Credit Termination Date. Within the limits set forth in the first sentence of this *clause (a)*, amounts of Swing Loans repaid may be reborrowed under this *clause (a); provided* that the Borrower shall not use the proceeds of any Swing Loan to refinance any outstanding Swing Loan.

(b) In order to request a Swing Loan, the Borrower shall telecopy (or forward by electronic mail or similar means) to the Administrative Agent a duly completed request in substantially the form of *Exhibit D (Form of Swing Loan Request)*, setting forth the requested amount and date of such Swing Loan (a "*Swing Loan Request*"), to be received by the Administrative Agent not later than

2:00 p.m. (New York time) on the day of the proposed borrowing. The Administrative Agent shall promptly notify the Swing Loan Lender of the details of the requested Swing Loan. Subject to the terms of this Agreement, the Swing Loan Lender may make a Swing Loan available to the Administrative Agent and, in turn, the Administrative Agent shall make such amounts available to the Borrower on the date of the relevant Swing Loan Request. The Swing Loan Lender shall not make any Swing Loan in the period commencing on the first Business Day after it receives written notice from the Administrative Agent or any Revolving Credit Lender that one or more of the conditions precedent contained in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* shall not on such date be satisfied, and ending when such conditions are satisfied. The Swing Loan Lender shall not otherwise be required to determine that, or take notice whether, the conditions precedent set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* have been satisfied in connection with the making of any Swing Loan.

(c) The Swing Loan Lender shall notify the Administrative Agent in writing (which writing may be a telecopy or electronic mail) weekly, by no later than 10:00 a.m. (New York time) on the first Business Day of each week, of the aggregate principal amount of its Swing Loans then outstanding.

(d) The Swing Loan Lender may demand at any time that each Revolving Credit Lender pay to the Administrative Agent, for the account of the Swing Loan Lender, in the manner provided in *clause (e)* below, such Revolving Credit Lender's Ratable Portion of all or a portion of the outstanding Swing Loans, which demand shall be made through the Administrative Agent, shall be in writing and shall specify the outstanding principal amount of Swing Loans demanded to be paid.

(e) The Administrative Agent shall forward each notice referred to in *clause (c)* above and each demand referred to in *clause (d)* above to each Revolving Credit Lender on the day such notice or such demand is received by the Administrative Agent (except that any such notice or demand received by the Administrative Agent after 2:00 p.m. (New York time) on any Business Day or any such demand received on a day that is not a Business Day shall not be required to be forwarded to the Revolving Credit Lenders by the Administrative Agent until the next succeeding Business Day), together with a statement prepared by the Administrative Agent specifying the amount of each Revolving Credit Lender's Ratable Portion of the aggregate principal amount of the Swing Loans stated to be outstanding in such notice or demanded to be paid pursuant to such demand, and, notwithstanding whether or not the conditions precedent set forth in *Sections 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* and *2.1(a) (The Commitments)* shall have been satisfied (which conditions precedent the Revolving Credit Lenders hereby irrevocably waive), each Revolving Credit Lender shall, before 11:00 a.m. (New York time) on the Business Day next succeeding the date of such Revolving Credit Lender's receipt of such notice or demand, make available to the Administrative Agent, in immediately available funds, for the account of the Swing Loan Lender, the amount specified in such statement (including for this purpose cash collateral to be deposited in a Cash Collateral Account and other credit support made available with respect to the applicable Swing Loan). Upon such payment by a Revolving Credit Lender, such Revolving Credit Lender shall, except as provided in *clause (f)* below, be deemed to have made a Revolving Loan to the Borrower. The Administrative Agent shall use such funds to repay the Swing Loans to the Swing Loan Lender. To the extent that any Revolving Credit Lender fails to make such payment available to the Administrative Agent for the account of the Swing Loan Lender, the Borrower shall repay such Swing Loan on demand.

(f) Upon the occurrence of a Default under *clause (ii)* or *(iii)* of *Section 9.1(f) (Events of Default)*, each Revolving Credit Lender shall acquire, without recourse or warranty, an undivided participation in each Swing Loan otherwise required to be repaid by such Revolving Credit Lender pursuant to *clause (e)* above, which participation shall be in a principal amount equal to such Revolving

Credit Lender's Ratable Portion of such Swing Loan, by paying to the Swing Loan Lender on the date on which such Revolving Credit Lender would otherwise have been required to make a payment in respect of such Swing Loan pursuant to *clause (e)* above, in immediately available funds, an amount equal to such Revolving Credit Lender's Ratable Portion of such Swing Loan. If all or part of such amount is not in fact made available by such Revolving Credit Lender to the Swing Loan Lender on such date, the Swing Loan Lender shall be entitled to recover any such unpaid amount on demand from such Revolving Credit Lender together with interest accrued from such date at the Federal Funds Rate for the first Business Day after such payment was due and thereafter at the rate of interest then applicable to Base Rate Loans.

(g) From and after the date on which any Revolving Credit Lender (i) is deemed to have made a Revolving Loan pursuant to *clause (e)* above with respect to any Swing Loan or (ii) purchases an undivided participation interest in a Swing Loan pursuant to *clause (f)* above, the Swing Loan Lender shall promptly distribute to such Revolving Credit Lender such Revolving Credit Lender's Ratable Portion of all payments of principal of and interest received by the Swing Loan Lender on account of such Swing Loan other than those received from a Revolving Credit Lender pursuant to *clause (e)* or *(f)* above.

Section 2.4 Letters of Credit

(a) *The Letter of Credit Commitment*.

(i) Subject to the terms and conditions set forth herein, (A) each Issuer agrees, in reliance upon the agreements of the Revolving Credit Lenders set forth in this *Section 2.4*, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit for the account of the Borrower, and to amend or extend Letters of Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Revolving Credit Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower and any drawings thereunder; *provided* that after giving effect to Issuance of any Letter of Credit, (x) the Revolving Credit Outstandings shall not exceed the aggregate Commitments, (y) the aggregate Outstanding Amount of the Revolving Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Ratable Portion of the Outstanding Amount of all Letter of Credit Obligations, plus such Revolving Credit Lender's Ratable Portion of the Outstanding Amount of all Swing Loans shall not exceed such Revolving Credit Lender's Commitment, and (z) the Outstanding Amount of the Letter of Credit Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the Issuance so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) No Issuer shall issue any Letter of Credit, if:

(A) subject to *clause (b)(iii)* below, the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Requisite Revolving Credit Lenders have approved such expiry date; or

(B) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless the Administrative Agent and the applicable Issuer approve and the Borrower shall have provided cash collateral for the Letter of Credit Obligations relating to

such Letter of Credit in the manner set forth in *Section 9.3 (Actions in Respect of Letters of Credit and Swing Loans)* in an amount equal to 102% of such Letter of Credit Obligations.

(iii) No Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuer from issuing such Letter of Credit, or any Requirement of Law applicable to such Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuer shall prohibit, or request that such Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which such Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of such Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and such Issuer, such Letter of Credit is in an initial stated amount less than $100,000, in the case of a Commercial Letter of Credit, or $500,000, in the case of a Standby Letter of Credit;

(D) such Letter of Credit is to be denominated in a currency other than Dollars;

(E) any Revolving Credit Lender is at such time a Defaulting Lender, unless such Issuer has entered into arrangements, including the delivery of cash collateral, satisfactory to such Issuer (in its sole discretion) with the Borrower or such Defaulting Lender to eliminate such Issuer's actual or potential Fronting Exposure with respect to such Defaulting Lender as to either the Letter of Credit then proposed to be issued or such Letter of Credit and all other Letter of Credit Obligations as to which such Issuer has such actual or potential risk, as it may elect in its sole discretion; or

(F) such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iv) An Issuer shall not amend any Letter of Credit if such Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(v) No Issuer shall be under any obligation to amend any Letter of Credit if (A) such Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) Each Issuer shall act on behalf of the Revolving Credit Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in *Article X (The Agents)* with respect to any acts taken or omissions suffered by such Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in *Article X (The Agents)* included such Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to such Issuer.

(b) *Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit*.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the applicable Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application must be received by such Issuer and the Administrative Agent not later than 11:00 a.m. at least two Business Days (or such later date and time as the Administrative Agent and such Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to such Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as such Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the applicable Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as such Issuer may require. Additionally, the Borrower shall furnish to such Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as such Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, such Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, such Issuer will provide the Administrative Agent with a copy thereof. Unless such Issuer has received written notice from any Revolving Credit Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* shall not then be satisfied, then, subject to the terms and conditions hereof, such Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower or enter into the applicable amendment, as the case may be, in each case in accordance with such Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Revolving Credit Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from such Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Revolving Credit Lender's Ratable Portion times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, the applicable Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "*Auto-Extension Letter of Credit*"); *provided* that any such Auto-Extension Letter of Credit must permit such Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "*Non-Extension Notice Date*") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by such Issuer, the Borrower shall not be required to make a specific request to such Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Credit Lenders shall be deemed to have authorized (but may not require) such Issuer to permit the extension of such Letter of Credit at any time; *provided* that if the expiry date of such Letter of Credit is later than the Letter of Credit Expiration Date,

the Borrower shall provide cash collateral in the manner set forth in *clause (a)(ii)(B)* above; *provided, further*, that such Issuer shall not permit any such extension if (A) such Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of *clause (a)* above or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Requisite Revolving Credit Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Credit Lender or the Borrower that one or more of the applicable conditions specified in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* is not then satisfied, and in each such case directing such Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the applicable Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) *Drawings and Reimbursements; Funding of Participations*.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the applicable Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 11:00 a.m. on the date of any payment by such Issuer under a Letter of Credit (each such date, an "*Honor Date*"), the Borrower shall reimburse such Issuer through the Administrative Agent in an amount equal to the amount of such drawing. If the Borrower fails to so reimburse such Issuer by such time, the Administrative Agent shall promptly notify each Revolving Credit Lender of the Honor Date, the amount of the Reimbursement Amount, and the amount of such Revolving Credit Lender's Ratable Portion thereof. In such event, the Borrower shall be deemed to have requested a Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Reimbursement Obligations, without regard to the minimum and multiples specified in *Section 2.2 (Borrowing Procedures)* for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the aggregate Commitments and the conditions set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* (other than the delivery of a Notice of Borrowing). Any notice given by such Issuer or the Administrative Agent pursuant to this *clause (c)(i)* may be given by telephone if immediately confirmed in writing; *provided* that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Revolving Credit Lender shall upon any notice pursuant to *clause (c)(i)* above make funds available (including the application of available cash collateral and other credit support provided for this purpose pursuant to *clause (a)(iii)(E)* above) to the Administrative Agent for the account of the applicable Issuer at the Administrative Agent's Office in an amount equal to its Ratable Portion of the Reimbursement Obligations not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of *clause (c)(iii)* below, each Revolving Credit Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to such Issuer.

(iii) With respect to any Reimbursement Obligations that are not fully refinanced by a Borrowing of Base Rate Loans because the conditions set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the applicable Issuer a Letter of Credit Borrowing in the amount of the Reimbursement Obligations that are not so refinanced, which Letter of Credit Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default rate of interest specified in

Section 2.10(c) (Interest). In such event, each Revolving Credit Lender's payment to the Administrative Agent for the account of such Issuer pursuant to *clause (c)(ii)* above shall be deemed payment in respect of its participation in such Letter of Credit Borrowing and shall constitute a Letter of Credit Advance from such Revolving Credit Lender in satisfaction of its participation obligation under this *Section 2.4*.

(iv) Until each Revolving Credit Lender funds its Loan or Letter of Credit Advance pursuant to this *clause (c)* to reimburse the applicable Issuer for any amount drawn under any Letter of Credit, interest in respect of such Revolving Credit Lender's Ratable Portion of such amount shall be solely for the account of such Issuer.

(v) Each Revolving Credit Lender's obligation to make Loans or Letter of Credit Advances to reimburse the applicable Issuer for amounts drawn under Letters of Credit, as contemplated by this *clause (c)*, shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Revolving Credit Lender may have against such Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; *provided, however*, that each Revolving Credit Lender's obligation to make Loans pursuant to this *clause (c)* is subject to the conditions set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* (other than delivery by the Borrower of a Notice of Borrowing). No such making of an Letter of Credit Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse such Issuer for the amount of any payment made by such Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Credit Lender fails to make available to the Administrative Agent for the account of the applicable Issuer any amount required to be paid by such Revolving Credit Lender pursuant to the foregoing provisions of this *clause (c)* by the time specified in *clause (c)(ii)*, then, without limiting the other provisions of this Agreement, such Issuer shall be entitled to recover from such Revolving Credit Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by such Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by such Issuer in connection with the foregoing. If such Revolving Credit Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Revolving Credit Lender's Loan included in the relevant Borrowing or Letter of Credit Advance in respect of the relevant Letter of Credit Borrowing, as the case may be. A certificate of such Issuer submitted to any Revolving Credit Lender (through the Administrative Agent) with respect to any amounts owing under this *clause (vi)* shall be conclusive absent manifest error.

(d) *Repayment of Participations*.

(i) At any time after the applicable Issuer has made a payment under any Letter of Credit and has received from any Revolving Credit Lender such Revolving Credit Lender's Letter of Credit Advance in respect of such payment in accordance with *clause (c)* above, if the Administrative Agent receives for the account of such Issuer any payment in respect of the related Reimbursement Obligations or interest thereon (whether directly from the Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Revolving Credit Lender its Ratable Portion thereof in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the applicable Issuer pursuant to *clause (c)(i)* above is required to be returned under any of the circumstances described in *Section 11.14 (Marshaling; Payments Set Aside)* (including pursuant to any settlement entered into by such Issuer in its discretion), each Revolving Credit Lender shall pay to the Administrative Agent for the account of such Issuer its Ratable Portion thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Revolving Credit Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Revolving Credit Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) *Obligations Absolute*. The obligation of the Borrower to reimburse the applicable Issuer for each drawing under each Letter of Credit and to repay each Letter of Credit Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following.

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), such Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by such Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by such Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any Subsidiary.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will immediately notify such Issuer. The Borrower shall be conclusively deemed to have waived any such claim against such Issuer and its correspondents unless such notice is given as aforesaid.

(f) *Role of Issuer*. Each Revolving Credit Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the applicable Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of

the Person executing or delivering any such document. None of the Issuers, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of any Issuer shall be liable to any Revolving Credit Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Revolving Credit Lenders, Requisite Lenders or the Requisite Revolving Credit Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; *provided*, *however*, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the Issuers, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of any Issuer shall be liable or responsible for any of the matters described in *clauses (i)* through *(v)* of *clause (e)* above; *provided*, *however*, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against an Issuer, and such Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by such Issuer's willful misconduct or gross negligence or such Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, any Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and such Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) *Applicability of ISP and UCP*. Unless otherwise expressly agreed by an Issuer and the Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each Standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance, shall apply to each Commercial Letter of Credit.

(h) *Conflict with Issuer Documents*. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

Section 2.5 Termination of the Commitments

(a) The Borrower may, upon at least three Business Days' prior notice to the Administrative Agent, terminate in whole or reduce in part ratably the unused portions of the respective Revolving Credit Commitments of the Revolving Credit Lenders or, prior to the Term Loan Commitment Termination Date for the Term Loan Commitments, the unused portions of such Term Loan Commitments of the Term Loan Lenders; *provided*, *however*, that each partial reduction shall be in an aggregate amount of not less than $5,000,000 or an integral multiple of $1,000,000 in excess thereof and need not be ratable between the Facilities.

(b) The then current Revolving Credit Commitments shall be permanently reduced on each date on which a prepayment of Revolving Loans or Swing Loans is made (or would be required to be made had the outstanding Revolving Loans and Swing Loans equaled the Revolving Credit Commitments then in effect) pursuant to *Section 2.9(a)* and *(c) (Mandatory Prepayments)* from the proceeds of any Asset Sale (other than any prepayment of the Revolving Loans or Swing Loans required to be made solely to the extent of a Borrowing thereof made to consummate a Permitted Acquisition, as set

forth in a Permitted Acquisition Notice) or Property Loss Event (but not prepayments required to be made because of Debt Issuances or Excess Cash Flow), in each case in the amount of such prepayment (or of the prepayment that would have been required) (and the Revolving Credit Commitment of each Revolving Credit Lender shall be reduced by its Ratable Portion of such amount).

(c) Any unused Term Loan Commitment shall terminate on the Term Loan Commitment Termination Date for such Term Loan Commitment.

Section 2.6 Repayment of Loans

(a) The Borrower promises to repay the entire unpaid principal amount of the Revolving Loans and the Swing Loans on the Scheduled Termination Date or earlier, if otherwise required by the terms hereof.

(b) The Borrower promises to repay 0.25% of the initial principal amount of each Term Loan made under the Term Loan Facility, on the last Business Day of each calendar quarter, commencing on June 30, 2010; *provided*, *however*, that the Borrower shall repay the entire unpaid principal amount of each Term Loan on the Term Loan Maturity Date.

Section 2.7 Evidence of Debt

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing Indebtedness of the Borrower to such Lender resulting from each Loan of such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time under this Agreement.

(b) (i) The Administrative Agent, acting as agent of the Borrower solely for this purpose and for tax purposes, shall establish and maintain at its address referred to in *Section 11.8 (Notices, Etc.)* a record of ownership (the "*Register*") in which the Administrative Agent agrees to register by book entry the Administrative Agent's, each Lender's and each Issuer's interest in each Loan, each Letter of Credit and each Reimbursement Obligation, and in the right to receive any payments hereunder and any assignment of any such interest or rights. In addition, the Administrative Agent, acting as agent of the Borrower solely for this purpose and for tax purposes, shall establish and maintain accounts in the Register in accordance with its usual practice in which it shall record (i) the names and addresses of the Lenders and the Issuers, (ii) the Commitments of each Lender from time to time, (iii) the amount of each Loan made and, if a Eurodollar Rate Loan, the Interest Period applicable thereto, (iv) the amount of any principal or interest due and payable, and paid, by the Borrower to, or for the account of, each Lender hereunder, (v) the amount that is due and payable, and paid, by or on behalf of the Borrower to, or for the account of, each Issuer, including the amount of Letter of Credit Obligations (specifying the amount of any Reimbursement Obligations) due and payable to an Issuer, and (vi) the amount of any sum received by the Administrative Agent hereunder or under any Loan Document from any Loan Party, whether such sum constitutes principal or interest (and the type of Loan to which it applies), fees, expenses or other amounts due under the Loan Documents and each Lender's and Issuer's, as the case may be, share thereof, if applicable.

(ii) Notwithstanding anything to the contrary contained in this Agreement, the Loans (including the Notes evidencing such Loans) and the Reimbursement Obligations are registered obligations and the right, title, and interest of the Lenders and the Issuers and their assignees in and to such Loans or Reimbursement Obligations, as the case may be, shall be transferable only upon notation of such transfer in the Register. A Note shall only evidence the Lender's or a registered assignee's right, title and interest in and to the related Loan, and in no event is any such Note to be considered a bearer instrument

or obligation. This *Section 2.7(b)* and *Section 11.2 (Assignments and Participations)* shall be construed so that the Loans and Reimbursement Obligations are at all times maintained in "*registered form*" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and any related regulations (or any successor provisions of the Code or such regulations).

(c) The entries made in the Register and in the accounts therein maintained pursuant to *clauses (a)* and *(b)* above shall, to the extent permitted by applicable law, be conclusive evidence of the existence (absent manifest error) and amounts of the obligations recorded therein; *provided*, *however*, that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligations of the Borrower to repay the Loans in accordance with their terms. In addition, the Loan Parties, the Administrative Agent, the Lenders and the Issuers shall treat each Person whose name is recorded in the Register as a Lender or as an Issuer, as applicable, for all purposes of this Agreement, notwithstanding any notice to the contrary. Information contained in the Register with respect to any Lender or Issuer shall be available for inspection by the Borrower, the Administrative Agent, such Lender or such Issuer at any reasonable time and from time to time upon reasonable prior notice.

(d) Notwithstanding any other provision of the Agreement, in the event that any Lender requests that the Borrower execute and deliver a promissory note or notes payable to such Lender in order to evidence the Indebtedness owing to such Lender by the Borrower hereunder, the Borrower shall promptly execute and deliver a Note or Notes to such Lender, payable to such Lender or its registered assigns, evidencing any Revolving Loans and Term Loans, as the case may be, of such Lender, substantially in the forms of *Exhibit B-1 (Form of Revolving Credit Note)* and *Exhibit B-2 (Form of Term Note)*, respectively.

(e) In each case where a Revolving Credit Lender purchases an undivided participation interest in a Swing Loan pursuant to *Section 2.3(f) (Swing Loans)*, the Swing Loan Lender shall (i) keep a register meeting the requirements of Treasury Regulation section 5f.103-1(c) of each Revolving Credit Lender's entitlement to payments of principal and interest with respect to each such Swing Loan and (ii) collect, prior to the time such Revolving Credit Lender receives payment with respect to such Swing Loan, from each such Revolving Credit Lender the appropriate forms, certificates, and statements described in *Section 2.16 (Taxes)* (and updated as required by such *Section 2.16*).

Section 2.8 Optional Prepayments

(a) *Revolving Loans*. The Borrower may prepay the outstanding principal amount of the Revolving Loans, together with accrued interest to the date of such prepayment on the principal amount prepaid, upon three (3) Business Days' prior notice for Eurodollar Rate Loans or one (1) Business Day prior notice for Base Rate Loans, which notice shall be received not later than 11:00 a.m. (New York time) on such date by the Administrative Agent, and Swing Loans in whole or in part at any time; *provided*, *however*, that (i) if any prepayment of any Eurodollar Rate Loan is made by or on behalf of the Borrower other than on the last day of an Interest Period for such Loan, the Borrower shall also pay any amount owing pursuant to *Section 2.14(e) (Special Provisions Governing Eurodollar Rate Loans)* and (ii) each such prepayment that is a partial prepayment shall be in an aggregate amount that is an integral multiple of $1,000,000.

(b) *Term Loans*. The Borrower may, upon at least three Business Days' prior notice to the Administrative Agent, which notice shall be received not later than 11:00 a.m. on such date, stating the proposed date and aggregate principal amount of the prepayment, prepay the outstanding principal amount of the Term Loans, in whole or in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; *provided*, *however*, that (i) if any such prepayment is a prepayment

of any Eurodollar Rate Loan made by or on behalf of the Borrower other than on the last day of an Interest Period for such Loan, the Borrower shall also pay any amounts owing pursuant to *Section 2.14(e) (Special Provisions Governing Eurodollar Rate Loans)*, (ii) each such prepayment that is a partial prepayment shall be in an aggregate amount that is an integral multiple of $1,000,000, and (iii) any such partial prepayment that is a prepayment of the Term Loans shall be applied to first to reduce the next four remaining installments of such outstanding principal amount of the Term Loans in the order of their maturity and then to reduce the remaining installments thereof ratably. Upon the giving of such notice of prepayment, the principal amount of the Term Loans specified to be prepaid shall become due and payable on the date specified for such prepayment.

(c) *Discounted Voluntary Prepayments*.

(i) Notwithstanding anything to the contrary in *clause (b)* above, *Section 2.13(f) (Payments and Computations)* or *Section 11.7 (Sharing of Payments, etc.)* (which provisions shall not be applicable to this *clause(c)*), any Purchasing Borrower Party shall have the right at any time and from time to time to prepay Term Loans to the Lenders at a discount to the par value of such Loans and on a non pro rata basis (each, a "*Discounted Voluntary Prepayment*") pursuant to the procedures described in this *clause (c)*; *provided* that (A) no Discounted Voluntary Prepayment shall be made from the proceeds of any Revolving Loan or Swing Loan, (B) immediately after giving effect to any Discounted Voluntary Prepayment, the sum of (x) the excess of the aggregate Revolving Credit Commitments at such time less the aggregate Revolving Credit Outstandings plus (y) the amount of unrestricted cash and Cash Equivalents of the Borrower and its Subsidiaries shall be not less than $25,000,000, (C) any Discounted Voluntary Prepayment shall be offered to all Lenders with Term Loans on a pro rata basis, (D) such Purchasing Borrower Party shall deliver to the Administrative Agent a certificate stating that (1) no Default or Event of Default has occurred and is continuing or would result from the Discounted Voluntary Prepayment (after giving effect to any related waivers or amendments obtained in connection with such Discounted Voluntary Prepayment), (2) each of the conditions to such Discounted Voluntary Prepayment contained in this *clause (c)* has been satisfied, (3) such Purchasing Borrower Party does not have any material non-public information ("*MNPI*") with respect to the Parent or any of its Subsidiaries that either (a) has not been disclosed to the Lenders (other than Lenders that do not wish to receive MNPI with respect to the Parent, any of its Subsidiaries or Affiliates) prior to such time or (b) if not disclosed to the Lenders, could reasonably be expected to have a material effect upon, or otherwise be material, (i) to a Lender's decision to participate in any Discounted Voluntary Prepayment or (ii) to the market price of the Term Loans.

(ii) To the extent a Purchasing Borrower Party seeks to make a Discounted Voluntary Prepayment, such Purchasing Borrower Party will provide written notice to the Administrative Agent substantially in the form of *Exhibit L* hereto (each, a "*Discounted Prepayment Option Notice*") that such Purchasing Borrower Party desires to prepay Term Loans in an aggregate principal amount specified therein by the Purchasing Borrower Party (each, a "*Proposed Discounted Prepayment Amount*"), in each case at a discount to the par value of such Term Loans as specified below. Each Proposed Discounted Prepayment Amount of Term Loans shall not be less than $10,000,000. The Discounted Prepayment Option Notice shall further specify with respect to the proposed Discounted Voluntary Prepayment: (A) the Proposed Discounted Prepayment Amount of Term Loans, (B) a discount range (which may be a single percentage) selected by the Purchasing Borrower Party with respect to such proposed Discounted Voluntary Prepayment (representing the percentage of par of the principal amount of Term Loans to be prepaid) (the "*Discount Range*"), and (C) the date by which Lenders are required to indicate their election to participate in such proposed Discounted Voluntary Prepayment which shall be at least five Business Days following the date of the Discounted Prepayment Option Notice (the "*Acceptance Date*").

(iii) Upon receipt of a Discounted Prepayment Option Notice in accordance with *clause (c)(ii)* above, the Administrative Agent shall promptly notify each Term Lender thereof. On or prior to the Acceptance Date, each such Lender may specify by written notice substantially in the form of *Exhibit M* hereto (each, a "*Lender Participation Notice*") to the Administrative Agent (A) a minimum price (the "*Acceptable Price*") within the Discount Range (for example, 80% of the par value of the Loans to be prepaid) and (B) a maximum principal amount (subject to rounding requirements specified by the Administrative Agent) of Term Loans with respect to which such Lender is willing to permit a Discounted Voluntary Prepayment at the Acceptable Price ("*Offered Loans*"). Based on the Acceptable Prices and principal amounts of Term Loans specified by the Lenders in the applicable Lender Participation Notice, the Administrative Agent, in consultation with the Purchasing Borrower Party, shall determine the applicable discount for Term Loans (the "*Applicable Discount*"), which Applicable Discount shall be (A) the percentage specified by the Purchasing Borrower Party if the Purchasing Borrower Party has selected a single percentage pursuant to *clause(c)(ii)* above for the Discounted Voluntary Prepayment or (B) otherwise, the lowest Acceptable Price at which the Purchasing Borrower Party can pay the Proposed Discounted Prepayment Amount in full (determined by adding the principal amounts of Offered Loans commencing with the Offered Loans with the lowest Acceptable Price); *provided*, *however*, that in the event that such Proposed Discounted Prepayment Amount cannot be repaid in full at any Acceptable Price, the Applicable Discount shall be the highest Acceptable Price specified by the Lenders that is within the Discount Range. The Applicable Discount shall be applicable for all Lenders who have offered to participate in the Voluntary Discounted Prepayment and have Qualifying Loans (as defined below). Any Lender with outstanding Term Loans whose Lender Participation Notice is not received by the Administrative Agent by the Acceptance Date shall be deemed to have declined to accept a Discounted Voluntary Prepayment of any of its Term Loans at any discount to their par value within the Applicable Discount.

(iv) The Purchasing Borrower Party shall make a Discounted Voluntary Prepayment by prepaying those Term Loans (or the respective portions thereof) offered by the Lenders ("*Qualifying Lenders*") that specify an Acceptable Price that is equal to or lower than the Applicable Discount ("*Qualifying Loans*") at the Applicable Discount; *provided* that if the aggregate proceeds required to prepay all Qualifying Loans (disregarding any interest payable at such time) would exceed the amount of aggregate proceeds required to prepay the Proposed Discounted Prepayment Amount, such amounts in each case calculated by applying the Applicable Discount, the Purchasing Borrower Party shall prepay such Qualifying Loans ratably among the Qualifying Lenders based on their respective principal amounts of such Qualifying Loans (subject to rounding requirements specified by the Administrative Agent). If the aggregate proceeds required to prepay all Qualifying Loans (disregarding any interest payable at such time) would be less than the amount of aggregate proceeds required to prepay the Proposed Discounted Prepayment Amount, such amounts in each case calculated by applying the Applicable Discount, the Purchasing Borrower Party shall prepay all Qualifying Loans.

(v) Each Discounted Voluntary Prepayment shall be made within four Business Days of the Acceptance Date (or such other date as the Administrative Agent shall reasonably agree, given the time required to calculate the Applicable Discount and determine the amount and holders of Qualifying Loans), without premium or penalty (but subject to *Section 2.14(e) (Special Provisions Governing Eurodollar Rate Loans)*), upon irrevocable notice substantially in the form of *Exhibit N* hereto (each a "*Discounted Voluntary Prepayment Notice*"), delivered to the Administrative Agent no later than 11:00 a.m. (New York City time), three Business Days prior to the date of such Discounted Voluntary Prepayment, which notice shall specify the date and amount of the Discounted Voluntary Prepayment and the Applicable Discount determined by the Administrative Agent. Upon receipt of any Discounted Voluntary Prepayment Notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any Discounted Voluntary Prepayment Notice is given, the amount specified in such notice shall be due and pay-

able to the applicable Lenders, subject to the Applicable Discount on the applicable Loans, on the date specified therein together with accrued interest (on the par principal amount) to but not including such date on the amount prepaid.

(vi) To the extent not expressly provided for herein, each Discounted Voluntary Prepayment shall be consummated pursuant to reasonable procedures (including as to timing, rounding and calculation of Applicable Discount in accordance with *clause (c)(iii)* above) established by the Administrative Agent in consultation with the Borrower.

(vii) Prior to the delivery of a Discounted Voluntary Prepayment Notice, upon written notice to the Administrative Agent, the Purchasing Borrower Party may withdraw its offer to make a Discounted Voluntary Prepayment pursuant to any Discounted Prepayment Option Notice.

Section 2.9 Mandatory Prepayments

(a) Within three Business Days after receipt by any Loan Party or any Subsidiary of any Loan Party of Net Cash Proceeds (or, in the case of *clause (iii)* below, upon the receipt by any Loan Party, or any Subsidiary of any Loan Party of any proceeds of any "Asset Sale," as defined in such clause, within one Business Day after the day such proceeds become subject to such clause) the following shall occur:

(i) to the extent such Net Cash Proceeds arise from an Asset Sale, Property Loss Event or Debt Issuance, the Borrower (or, at the Borrower's option, any other Loan Party for the benefit of the Borrower) shall immediately prepay the Loans (or provide cash collateral in respect of Letters of Credit) in an amount equal to 100% of such Net Cash Proceeds; *provided*, *however*, that:

(A) no such prepayment caused by the receipt of Net Cash Proceeds arising from an Asset Sale shall be required to the extent that the Dollar Equivalent of the sum of such Net Cash Proceeds and all other Net Cash Proceeds from Asset Sales received by the Parent or any of its Subsidiaries after the Closing Date does not exceed $15,000,000 (it being understood that a prepayment shall only be required of such excess to the extent such Dollar Equivalent exceeds $15,000,000);

(B) as long as no Event of Default shall have occurred and be continuing, no such prepayment caused by the receipt of Net Cash Proceeds arising from any incurrence of Additional Permitted Debt shall be required if (1) the Administrative Agent has received an Additional Permitted Debt Notice with respect of such incurrence and (2) such Net Cash Proceeds are intended to be used substantially contemporaneously with such incurrence for the Permitted Acquisition set forth in such Additional Permitted Debt Notice; *provided*, *further*, that, notwithstanding the foregoing, such prepayment shall be required (in the percentages set forth above) in an amount equal to the Net Cash Proceeds of the Additional Permitted Debt not used to fund substantially contemporaneously with the issuance of such Additional Permitted Debt the Permitted Acquisition identified in the corresponding Additional Permitted Debt Notice; and

(ii) notwithstanding the foregoing in this *clause (a)* and notwithstanding *clause (e)* below, at any time when any Loan Party, any Subsidiary of any Loan Party or any Joint Venture of any of them consummates any "Asset Sale," as defined in any Senior Notes Document (together with any word of similar applications defined in any Subordinated Debt Document or any Disqualified Stock Document), at any time when, and to the extent, in the absence of any re-

quirement to prepay the Secured Obligations hereunder, the Borrower would be required to prepay, or make an offer to purchase, any Subordinated Debt or Disqualified Stock, the Borrower (or, at the Borrower's option, any other Loan Party for the benefit of the Borrower) shall immediately prepay the Loans (or provide cash collateral in respect of Letters of Credit) in an amount not to exceed the proceeds of such "Asset Sale."

Any such mandatory prepayment shall be applied in accordance with *clause (c)* below.

(b) The Borrower (or, at the Borrower's option, any other Loan Party for the benefit of the Borrower) shall prepay the Loans within 90 days after the last day of each Fiscal Year (beginning with the Fiscal Year 2011 (i.e., the first such prepayment to be within 90 days of March 31, 2011)), in an amount equal to the difference between (i) 50% of the Excess Cash Flow for such Fiscal Year and (ii) the sum of (x) all optional cash principal payments on the Loans made during such Fiscal Year (but only, in the case of payment in respect of Revolving Loans, to the extent that the Revolving Credit Commitments are permanently reduced by the amount of such payments) and (y) the amount expended by any Purchasing Borrower Parties to prepay any Term Loans pursuant to *Section 2.8(c) (Optional Prepayments)*; *provided*, *however*, that, if the Leverage Ratio of the Parent on the last day of such Fiscal Year is less than 3.75 to 1.0, then no such prepayment shall be required. Any such mandatory prepayment shall be applied in accordance with *clause (c)* below.

(c) Subject to the provisions of *Section 2.13(g) (Payments and Computations)* and *clause (e)* below, any prepayments required to be applied in accordance with this *clause (c)* shall be applied as follows: *first*, to repay the outstanding principal balance of the Term Loans, until such Term Loans shall have been paid in full; *second*, to repay the outstanding principal balance of the Swing Loans until such Swing Loans shall have been paid in full; *third*, to repay the outstanding principal balance of the Revolving Loans until such Revolving Loans shall have been paid in full; and *fourth*, to provide cash collateral for any Letter of Credit Obligations in an amount equal to 102% of such Letter of Credit Obligations in the manner set forth in *Section 9.3 (Actions in Respect of Letters of Credit)* until all such Letter of Credit Obligations have been fully cash collateralized in the manner set forth therein; *provided*, *however*, that, at any time prior to the occurrence and continuation of any Event of Default, any mandatory prepayment required by the receipt of Net Cash Proceeds of any Asset Sale permitted under *Section 8.4(j) (Sale of Assets)* of non-core assets previously acquired as part of a Permitted Acquisition and with respect to which the Administrative Agent has received a Permitted Acquisition Notice shall be first applied to repay the Revolving Loans and Swing Loans in an amount not to exceed the amount identified in such Permitted Acquisition Notice as part of a Borrowing the proceeds of which were used consummate such Permitted Acquisition. All prepayments of the Term Loans made pursuant to this *clause (c)* shall be applied *first* to prepay the next four principal installments of the Term Loans in order of their maturity and *then* to prepay the remaining principal installments thereof ratably. All prepayments of Revolving Loans and Swing Loans required to be made pursuant to this *clause (c)* because of Asset Sales (other than any prepayment of the Revolving Loans or Swing Loans required to be made solely to the extent of a Borrowing thereof made to consummate a Permitted Acquisition, as set forth in a Permitted Acquisition Notice) or Property Loss Events (but not prepayments required to be made because of Debt Issuances or Excess Cash Flow) shall result in a permanent reduction of the Revolving Credit Commitments to the extent provided in *Section 2.5(b) (Termination of the Commitments)*. The Borrower shall pay all accrued interest to the date of each prepayment of Term Loans and Revolving Loans made pursuant to this clause (c), in each case on the principal amount so prepaid.

(d) If at any time, the aggregate principal amount of Revolving Credit Outstandings exceeds the aggregate Revolving Credit Commitments at such time, the Borrower (or, at the Borrower's option, any other Loan Party) shall forthwith prepay the Swing Loans first and then the Revolving Loans

then outstanding in an amount equal to such excess. If any such excess remains after payment in full of the aggregate outstanding Swing Loans and Revolving Loans, the Borrower (or, at the Borrower's option, any other Loan Party) shall provide cash collateral for the Letter of Credit Obligations in the manner set forth in *Section 9.3 (Actions in Respect of Letters of Credit)* in an amount equal to 102% of such excess.

(e) Notwithstanding the foregoing clauses in this *Section 2.9*, upon the occurrence of any Asset Sale or Property Loss Event in respect of which a Responsible Officer of the Parent has delivered a Reinvestment Notice (a "*Reinvestment Event*"), all of the following shall occur:

(i) Upon receipt of the Net Cash Proceeds subject to such Reinvestment Notice (as long as no Event of Default shall have occurred and be continuing), the Borrower shall be permitted to make Permitted Reinvestments in an amount not to exceed the amount of such Net Cash Proceeds, as set forth in the Reinvestment Notice for such Net Cash Proceeds, and shall not be required to prepay the Loans as provided in *clause (a)* above.

(ii) On each Reinvestment Prepayment Date for such Reinvestment Event:

(A) the Borrower shall prepay the Term Loans in an amount equal to the Reinvestment Prepayment Amount applicable to such Reinvestment Prepayment Date; and

(B) to the extent such Term Loans shall then be paid in full, the Revolving Credit Commitments shall then be permanently reduced by an amount equal to any remaining portion of such Reinvestment Prepayment Amount not applied to repay such Term Loans.

In addition, the Borrower shall make any payment required pursuant to *clause (d)* above as a result of any such reduction in the Revolving Credit Commitments. All prepayments of the Term Loans made pursuant to this *clause (e)* shall be applied to the remaining installments thereof in the manner set forth in *clause (c)* above.

Section 2.10 Interest

(a) *Rate of Interest*. All Loans and the outstanding amount of all other Obligations shall bear interest, in the case of Loans, on the unpaid principal amount thereof from the date such Loans are made and, in the case of such other Obligations, from the date such other Obligations are due and payable until, in all cases, paid in full, except as otherwise provided in *clause (c)* below, as follows:

(i) if a Base Rate Loan or such other Obligation, at a rate per annum equal to the sum of (A) the Base Rate as in effect from time to time and (B) the Applicable Margin; and

(ii) if a Eurodollar Rate Loan, at a rate per annum equal to the sum of (A) the Eurodollar Rate determined for the applicable Interest Period and (B) the Applicable Margin in effect from time to time during such Interest Period.

(b) *Interest Payments*. Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

(c) *Default Interest*. Notwithstanding the rates of interest specified in *clause (a)* above or elsewhere herein, (i) effective immediately upon the occurrence of a Material Event of Default

and for as long thereafter as such Material Event of Default shall be continuing and (ii) upon the occurrence of any other Event of Default and for as long thereafter as such Event of Default shall be continuing, effective immediately upon the earlier of the receipt (A) by the Borrower of a notice by the Administrative Agent or (B) by the Administrative Agent of instructions from the Requisite Lenders, the principal balance of all Loans and the amount of all other Obligations then due and payable shall bear interest at a rate that is two percent per annum in excess of the rate of interest applicable to such Loans or other Obligations from time to time. Such interest shall be payable on the date that would otherwise be applicable to such interest pursuant to *Section 2.10(b)* or otherwise on demand.

Section 2.11 Conversion/Continuation Option

(a) The Borrower may elect (i) by 11:00 a.m. (New York time) on any Business Day to convert Base Rate Loans (other than Swing Loans) or any portion thereof to Eurodollar Rate Loans and (ii) at the end of any applicable Interest Period, to convert Eurodollar Rate Loans or any portion thereof into Base Rate Loans or to continue such Eurodollar Rate Loans or any portion thereof for an additional Interest Period; *provided*, *however*, that the aggregate amount of the Eurodollar Rate Loans for each Interest Period must be an integral multiple of $1,000,000. Each conversion or continuation shall be allocated among the Loans of each Lender in accordance with such Lender's Ratable Portion. Each such election shall be in substantially the form of *Exhibit F (Form of Notice of Conversion or Continuation)* (a "*Notice of Conversion or Continuation*") and shall be made by giving the Administrative Agent at least three Business Days' prior written notice specifying (A) the amount and type of Loan being converted or continued, (B) in the case of a conversion to or a continuation of Eurodollar Rate Loans, the applicable Interest Period and (C) in the case of a conversion, the date of such conversion.

(b) The Administrative Agent shall promptly notify each Lender of its receipt of a Notice of Conversion or Continuation and of the options selected therein. Notwithstanding the foregoing, (i) no conversion in whole or in part of Base Rate Loans to Eurodollar Rate Loans shall be permitted at any time prior to the Syndication Completion Date, (ii) no conversion in whole or in part of Base Rate Loans to Eurodollar Rate Loans and no continuation in whole or in part of Eurodollar Rate Loans upon the expiration of any applicable Interest Period shall be permitted at any time at which (A) an Event of Default shall have occurred and be continuing and the Administrative Agent shall have received instructions from the Requisite Lenders to that effect, (B) the continuation of, or conversion into, a Eurodollar Rate Loan would violate any provision of *Section 2.14 (Special Provisions Governing Eurodollar Rate Loans)* and (C) any Material Event of Default shall have occurred and be continuing and (iii) no conversion in whole or in part of Base Rate Loans to Eurodollar Rate Loans having an Interest Period greater than one month and no continuation in whole or in part of Eurodollar Rate Loans into Eurodollar Rate Loans upon the expiration of any applicable Interest Period into Eurodollar Rate Loans having an Interest Period greater than one month shall be permitted at any time at which an Event of Default shall have occurred and be continuing. If, within the time period required under the terms of this *Section 2.11*, the Administrative Agent does not receive a Notice of Conversion or Continuation from the Borrower containing a permitted election to continue any Eurodollar Rate Loans for an additional Interest Period or to convert any such Loans, then, upon the expiration of the applicable Interest Period, such Loans shall be automatically converted to Base Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any such Notice of Conversion or Continuation, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Each Notice of Conversion or Continuation shall be irrevocable.

Section 2.12 Fees

(a) *Unused Commitment Fee*. The Borrower agrees to pay in immediately available Dollars a commitment fee (the "*Unused Commitment Fee*") as follows:

(i) to each Revolving Credit Lender (other than the Swing Loan Lender), on the actual daily amount by which the Revolving Credit Commitment of such Revolving Credit Lender exceeds such Lender's Ratable Portion of the sum of (A) the aggregate outstanding principal amount of Revolving Loans and (B) the outstanding amount of the aggregate Letter of Credit Obligations from the date hereof to the Revolving Credit Termination Date at the Applicable Unused Commitment Fee Rate, accruing from the date hereof until the Revolving Credit Termination Date, payable in arrears (x) on the last Business Day of each calendar quarter, commencing on the first such Business Day following the Closing Date and (y) on the Revolving Credit Termination Date; *provided, however*, that no Unused Commitment Fee shall accrue with respect to the Revolving Credit Commitment of a Defaulting Lender during any period that it is a Defaulting Lender until such time as such failure has been cured (as determined by the Administrative Agent and the Borrower); and

(ii) to the Revolving Credit Lender that is the Swing Loan Lender or an Affiliate thereof, on the actual daily amount by which the Revolving Credit Commitment of such Revolving Credit Lender exceeds the sum of (A) the principal amount of the Swing Loans of the Swing Loan Lender outstanding and (B) such Lender's Ratable Portion of the sum of (1) the aggregate outstanding principal amount of Revolving Loans and (2) the outstanding amount of the aggregate Letter of Credit Obligations from the date hereof to the Revolving Credit Termination Date at the Applicable Unused Commitment Fee Rate, accruing from the date hereof until the Revolving Credit Termination Date, payable in arrears (x) on the last Business Day of each calendar quarter, commencing on the first such Business Day following the Closing Date and (y) on the Revolving Credit Termination Date.

(b) *Letter of Credit Fees*.

(i) The Borrower shall pay to the Administrative Agent for the account of each Revolving Credit Lender in accordance with its Ratable Portion a Letter of Credit fee (the "*Letter of Credit Fee*") for each Letter of Credit equal to the Applicable Margin for Revolving Loans that are Eurodollar Rate Loans *times* the daily amount available to be drawn under such Letter of Credit; *provided, however,* any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided cash collateral or other credit support arrangements satisfactory to the applicable Issuer pursuant to this *Section 2.12* shall be payable, to the maximum extent permitted by applicable law, to the other Lenders in accordance with the upward adjustments in their respective Applicable Margin allocable to such Letter of Credit pursuant to *Section 2.18(a)(iv) (Defaulting Lenders)*, with the balance of such fee, if any, payable to such Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with *Section 1.6 (Letter of Credit Amounts)*. Letter of Credit Fees shall (i) begin to accrue from the date of issuance of each Letter of Credit, (ii) be due and payable on the first Business Day after the end of each March, June, September and December, commencing on the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Margin during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect. Notwithstanding

anything to the contrary contained herein, upon the request of the Requisite Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default rate of interest specified in *Section 2.10(c) (Interest)*.

(ii) *Fronting Fee and Documentary and Processing Charges Payable to Issuer*. The Borrower shall pay directly to the applicable Issuer for its own account a fronting fee (i) with respect to each Commercial Letter of Credit, at the rate of 0.125%, computed on the amount of such Letter of Credit, and payable upon the issuance thereof, (ii) with respect to any amendment of a Commercial Letter of Credit increasing the amount of such Letter of Credit, at a rate separately agreed between the Borrower and such Issuer, computed on the amount of such increase, and payable upon the effectiveness of such amendment, and (iii) with respect to each Standby Letter of Credit, at the rate per annum of 0.25%, computed on the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall begin to accrue from the date of issuance of each Letter of Credit and be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing on the first such date to occur after the date of issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with *Section 1.6 (Letter of Credit Amounts)*. In addition, the Borrower shall pay directly to the applicable Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(c) *Additional Fees*. The Borrower shall pay to the Agents additional fees, the amount and dates of payment of which are set forth in the Fee Letters.

Section 2.13 Payments and Computations

(a) Each payment made by or on behalf of the Borrower (including fees and expenses) shall be made not later than 1:00 p.m. (New York time) on the day when due, in the currency specified herein (or, if no such currency is specified, in Dollars) to the Administrative Agent at its address referred to in *Section 11.8 (Notices, Etc.)* in immediately available funds without set-off or counterclaim. The Administrative Agent shall promptly thereafter cause to be distributed immediately available funds relating to the payment of principal, interest or fees to the Lenders, in accordance with the application of payments set forth in *clause (f)* or *(g)* below, as applicable, for the account of their respective Applicable Lending Offices; *provided*, *however*, that amounts payable pursuant to *Section 2.15 (Capital Adequacy)*, *Section 2.16 (Taxes)* or *Section 2.14(c)* or *(d) (Special Provisions Governing Eurodollar Rate Loans)* shall be paid only to the affected Lender or Lenders and amounts payable with respect to Swing Loans shall be paid only to the Swing Loan Lender. Payments received by the Administrative Agent after 1:00 p.m. (New York time) shall be deemed to be received on the next Business Day.

(b) All computations of interest of Base Rate Loans shall be made by the Administrative Agent on the basis of a year of 365 or, as applicable 366 days for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest and fees are payable. All other computations of interest and of fees shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest and fees are payable. Each determination by the Administrative Agent of a rate of interest hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Each payment by or on behalf of the Borrower of any Loan, Reimbursement Obligation (including interest or fees in respect thereof) and each reimbursement of various costs, expenses or other Obligation shall be made in the currency in which such Loan was made, such Letter of Credit issued or such cost, expense or other Obligation was incurred; *provided, however*, that, other than for payments in respect of a Loan or Reimbursement Obligation, Loan Documents duly executed by the Administrative Agent may specify other currencies of payment for Obligations created by or directly related to such Loan Document.

(d) Whenever any payment hereunder shall be stated to be due on a day other than a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or fees, as the case may be; *provided, however*, that if such extension would cause payment of interest on or principal of any Eurodollar Rate Loan to be made in the next calendar month, such payment shall be made on the immediately preceding Business Day. All repayments of any Revolving Loans or any Term Loans shall be applied as follows: *first*, to repay such Loans outstanding as Base Rate Loans and *then*, to repay such Loans outstanding as Eurodollar Rate Loans, with those Eurodollar Rate Loans having earlier expiring Interest Periods being repaid prior to those having later expiring Interest Periods.

(e) Unless the Administrative Agent shall have received notice from the Borrower to the Lenders prior to the date on which any payment is due hereunder that the Borrower will not make such payment in full (and the Administrative Agent has not received any notice that such payment shall be made in full by another Loan Party on behalf of the Borrower), the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have made (and no Loan Party shall have made on behalf of the Borrower) such payment in full to the Administrative Agent, each Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon (at the Federal Funds Rate for the first Business Day and thereafter, at the rate applicable to Base Rate Loans for the applicable Facility) for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent.

(f) Except for payments and other amounts received by the Administrative Agent and applied in accordance with the provisions of *clause (g)* below (or required to be applied in accordance with *clauses (c)* or *(e)* of *Section 2.9 (Mandatory Prepayments)*), all payments and any other amounts received by the Administrative Agent from or for the benefit of the Borrower shall be applied as follows: *first*, to pay principal of, and interest on, any portion of the Loans the Administrative Agent may have advanced pursuant to the express provisions of this Agreement on behalf of any Lender, for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower (or any Loan Party on behalf of the Borrower), *second*, to pay all other Obligations then due and payable; and *third*, as the Borrower so designates. Payments in respect of Swing Loans received by the Administrative Agent shall be distributed to the Swing Loan Lender; payments in respect of Revolving Loans received by the Administrative Agent shall be distributed to each Revolving Credit Lender in accordance with such Lender's Ratable Portion of the Revolving Credit Commitments; payments in respect of Term Loans received by the Administrative Agent shall be distributed to each Term Loan Lender in accordance with such Lender's Ratable Portion; and all payments of fees and all other payments in respect of any other Obligation shall be allocated among such of the Lenders and Issuers as are entitled thereto and, for such payments allocated to the Lenders, in proportion to their respective Ratable Portions in the Facility with respect to which such payment is made.

(g) The Borrower hereby irrevocably waives the right to direct the application of any and all payments in respect of the Obligations and any proceeds of Collateral after the occurrence and during the continuance of an Event of Default and agrees that, notwithstanding the provisions of *clauses (c)* or *(e)* of *Section 2.9 (Mandatory Prepayments)* and *clause (f)* above, the Administrative Agent may, and, upon either (A) the written direction of the Requisite Lenders or (B) the acceleration of the Obligations pursuant to *Section 9.2 (Remedies)*, shall, deliver a blockage notice with respect to each Approved Deposit Account and apply all payments in respect of any Obligations and all funds on deposit in any Cash Collateral Account and all other proceeds of Collateral in the order set forth in *Section 9.5 (Application of Funds)*.

(h) The Administrative Agent hereby agrees to deliver to each other Agent, promptly upon receipt thereof by the Administrative Agent, each Permitted Acquisition Notice delivered by the Parent to the Administrative Agent and all other notices and information furnished to the Administrative Agent in connection with any Permitted Acquisition pursuant to the definition of "Permitted Acquisition".

Section 2.14 Special Provisions Governing Eurodollar Rate Loans

(a) *Determination of Interest Rate*. The Eurodollar Rate for each Interest Period for Eurodollar Rate Loans shall be determined by the Administrative Agent pursuant to the procedures set forth in the definition of "Eurodollar Rate." The Administrative Agent's determination shall be presumed to be correct absent manifest error and shall be binding on the Borrower.

(b) *Interest Rate Unascertainable, Inadequate or Unfair*. In the event that (i) the Administrative Agent determines that adequate and fair means do not exist for ascertaining the applicable interest rates by reference to which the Eurodollar Rate then being determined is to be fixed or (ii) the Requisite Lenders notify the Administrative Agent that the Eurodollar Rate for any Interest Period will not adequately reflect the cost to the Lenders of making or maintaining such Loans for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders, whereupon each Eurodollar Rate Loan shall automatically, on the last day of the current Interest Period for such Loan, convert into a Base Rate Loan and the obligations of the Lenders to make Eurodollar Rate Loans or to convert Base Rate Loans into Eurodollar Rate Loans shall be suspended until the Administrative Agent shall notify the Borrower that the Requisite Lenders have determined that the circumstances causing such suspension no longer exist.

(c) *Increased Costs*. If at any time any Lender determines that the introduction of, or any change in or in the interpretation of, any law, treaty or governmental rule, regulation or order (other than any change by way of imposition or increase of reserve requirements included in determining the Eurodollar Rate) or the compliance by such Lender with any guideline, request or directive from any central bank or other Governmental Authority (whether or not having the force of law) (collectively, a "*Change of Law*"), shall have the effect of increasing the cost to such Lender of agreeing to make or making, funding or maintaining any Eurodollar Rate Loans, then the Borrower shall from time to time, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A certificate as to the amount of such increased cost, submitted to the Borrower and the Administrative Agent by such Lender, shall be conclusive and binding for all purposes, absent manifest error; *provided*, *however*, that notwithstanding the foregoing, the Borrower shall not be required to compensate any Lender for any increased cost incurred more than 180 days prior to the delivery of such certificate (such period to be extended in the case of increased costs caused by a Change of Law with retroactive effect to include the period of retroactive effect of such Change of Law).

(d) *Illegality*. Notwithstanding any other provision of this Agreement, if any Lender determines that the introduction of, or any change in or in the interpretation of, any law, treaty or governmental rule, regulation or order after the date of this Agreement shall make it unlawful, or any central bank or other Governmental Authority shall assert that it is unlawful, for any Lender or its Eurodollar Lending Office to make Eurodollar Rate Loans or to continue to fund or maintain Eurodollar Rate Loans, then, on notice thereof and demand therefor by such Lender to the Borrower through the Administrative Agent, (i) the obligation of such Lender to make or to continue Eurodollar Rate Loans and to convert Base Rate Loans into Eurodollar Rate Loans shall be suspended, and each such Lender shall make a Base Rate Loan as part of any requested Borrowing of Eurodollar Rate Loans and (ii) if the affected Eurodollar Rate Loans are then outstanding, the Borrower shall immediately convert each such Loan into a Base Rate Loan. If, at any time after a Lender gives notice under this *clause (d)*, such Lender determines that it may lawfully make Eurodollar Rate Loans, such Lender shall promptly give notice of that determination to the Borrower and the Administrative Agent, and the Administrative Agent shall promptly transmit the notice to each other Lender. The Borrower's right to request, and such Lender's obligation, if any, to make Eurodollar Rate Loans shall thereupon be restored.

(e) *Breakage Costs*. In addition to all amounts required to be paid by or on behalf of the Borrower pursuant to *Section 2.10 (Interest)*, the Borrower shall compensate each Lender, upon demand, for all losses, expenses and liabilities (including any loss or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund or maintain such Lender's Eurodollar Rate Loans to the Borrower but excluding any loss of the Applicable Margin on the relevant Loans) that such Lender may sustain (i) if for any reason (other than solely by reason of such Lender being a Defaulting Lender) a proposed Borrowing, conversion into or continuation of Eurodollar Rate Loans does not occur on a date specified therefor in a Notice of Borrowing or a Notice of Conversion or Continuation given by the Borrower or in a telephonic request by it for borrowing or conversion or continuation or a successive Interest Period does not commence after notice therefor is given pursuant to *Section 2.11 (Conversion/Continuation Option)*, (ii) if for any reason any Eurodollar Rate Loan is prepaid (including mandatorily pursuant to *Section 2.9 (Mandatory Prepayments)*) on a date that is not the last day of the applicable Interest Period, (iii) as a consequence of a required conversion of a Eurodollar Rate Loan to a Base Rate Loan as a result of any of the events indicated in *clause (d)* above or (iv) as a consequence of any failure by the Borrower to repay Eurodollar Rate Loans when required by the terms hereof. The Lender making demand for such compensation shall deliver to the Borrower concurrently with such demand a written statement as to such losses, expenses and liabilities, and this statement shall be conclusive as to the amount of compensation due to such Lender, absent manifest error.

Section 2.15 Capital Adequacy

If at any time any Lender determines that (a) the adoption of, or any change in or in the interpretation of, any law, treaty or governmental rule, regulation or order after the date of this Agreement regarding capital adequacy, (b) compliance with any such law, treaty, rule, regulation or order or (c) compliance with any guideline or request or directive from any central bank or other Governmental Authority (whether or not having the force of law) shall have the effect of reducing the rate of return on such Lender's (or any corporation controlling such Lender's) capital as a consequence of its obligations hereunder or under or in respect of any Letter of Credit to a level below that which such Lender or such corporation could have achieved but for such adoption, change, compliance or interpretation, then, upon demand from time to time by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender for such reduction. A certificate as to such amounts submitted to the Borrower and the Administrative Agent by such Lender shall be conclusive and binding for all purposes absent manifest error; *provided*, *however*, that notwith-

standing the foregoing, the Borrower shall not be required to compensate any Lender for any such amount incurred more than 180 days prior to the delivery of such certificate (such period to be extended in the case of a reduction caused by any event described in *clause (a)*, *(b)* or *(c)* above and having retroactive effect to include the period of such retroactive effect).

Section 2.16 Taxes

(a) Except as otherwise provided in this *Section 2.16*, any and all payments by any Loan Party under each Loan Document shall be made free and clear of and without deduction for any and all present or future taxes, duties, levies, imposts, assessments, deductions, or withholdings or other charges imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or other basis, and any and all liabilities (including interest, fines, penalties or additions to tax) with respect thereto ("*Taxes*"), excluding (i) in the case of each Lender, each Issuer and each Agent (A) Taxes measured by its net income, and franchise Taxes imposed on it, and similar Taxes imposed by the jurisdiction (or any political subdivision thereof) under the laws of which such Lender, Issuer or Agent (as the case may be) is organized or has its Applicable Lending Office and (B) other than in the case of an assignee pursuant to a request by the Borrower under *Section 2.17 (Substitution of Lenders)*, any United States federal withholding taxes payable with respect to payments under the Loan Documents under laws (including any statute, treaty or regulation) in effect on the date the applicable Lender or Issuer becomes a party hereto (or changes its Applicable Lending Office), except to the extent that such Person (or its assignor, if any) was entitled, immediately prior to the time of designation of a new Applicable Lending Office or assignment to receive additional amounts with respect to such United States federal withholding Tax pursuant to this *Section 2.16*, but not excluding any United States federal withholding taxes payable as a result of any change in such laws occurring after such date and (ii) in the case of each Lender or each Issuer, Taxes measured by its net income, and franchise taxes imposed on it as a result of a present or former connection between such Lender or such Issuer (as the case may be) and the jurisdiction of the Governmental Authority imposing such tax or any taxing authority thereof or therein, other than any connection arising solely from the Loan Documents or any transactions contemplated thereby (all such non-excluded Taxes being hereinafter referred to as "*Indemnified Taxes*"). If any Indemnified Taxes or Other Taxes shall be required by any applicable withholding agent to be deducted from or in respect of any sum payable under any Loan Document to any Lender, Issuer or Agent (w) the sum payable by the applicable Loan Party shall be increased as may be necessary so that, after all required deductions have been made (including deductions applicable to additional sums payable under this *Section 2.16*), such Lender, Issuer or Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (x) the applicable withholding agent shall make such deductions, (y) the applicable withholding agent shall pay the full amount deducted to the relevant taxing authority or other authority in accordance with applicable law and (z) within 30 days after the date of any payment, the relevant Loan Party shall deliver to the Administrative Agent evidence of such payment.

(b) In addition, each Loan Party agrees to pay any and all present or future stamp, court or documentary, excise, property, intangible, mortgage recording or similar Taxes (excluding, for the avoidance of doubt, any Taxes excluded from the definition of "Taxes" in clauses (i) and (ii) of *Section 2.16(a)* above), imposed by any Governmental Authority, in each case arising from any payment made under any Loan Document or from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, any Loan Document (collectively, "*Other Taxes*").

(c) Each Loan Party shall, jointly and severally, indemnify each Lender, Issuer and Agent for the full amount of Indemnified Taxes and Other Taxes (including any Indemnified Taxes and Other Taxes imposed by any jurisdiction on amounts payable under this *Section 2.16*) payable by such

Lender, Issuer or Agent (as the case may be) and any liability (including for penalties, interest and expenses) arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within 30 days from the date such Lender, Issuer or Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Indemnified Taxes or Other Taxes by any Loan Party, the Borrower shall furnish to the Administrative Agent, at its address referred to in *Section 11.8 (Notices, Etc.)*, the original or a certified copy of a receipt evidencing payment thereof.

(e) Without prejudice to the survival of any other agreement of any Loan Party hereunder or under the Guaranty, the agreements and obligations of such Loan Party contained in this *Section 2.16* shall survive the payment in full of the Obligations and any assignment by a Lender or Issuer.

(f) Each Lender and Issuer shall, at such times as are reasonably requested by the Borrower or the Administrative Agent, provide the Borrower and the Administrative Agent with any documentation prescribed by law (or reasonably requested by the Borrower or the Administrative Agent) in connection with establishing any entitlement of such Lender or Issuer to an exemption from, or reduction in, withholding tax with respect to any payments to be made to such Lender, Agent or Issuer under the Loan Documents. Each Lender and Issuer shall, whenever a lapse in time or change in circumstances renders such documentation obsolete or inaccurate in any material respect, deliver promptly to the Borrower and the Administrative Agent updated or other appropriate documentation (including any new documentation reasonably requested by the applicable withholding agent) or promptly notify the Borrower and the Administrative Agent of its inability to do so. Unless the applicable withholding agent has received forms or other documents satisfactory to it indicating that payments under any Loan Document to or for a Lender, Agent or Issuer are not subject to withholding tax or are subject to such Tax at a rate reduced by an applicable tax treaty, the Loan Parties, the Administrative Agent or other applicable withholding agent shall withhold amounts required to be withheld by applicable Requirements of Law from such payments at the applicable statutory rate. Without limiting the foregoing:

(i) Each U.S. Lender shall deliver to the Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement two properly completed and duly signed original copies of Internal Revenue Service Form W-9 (or any successor forms) certifying that such Lender is exempt from federal backup withholding.

(ii) Each Non-U.S. Lender shall deliver to the Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) whichever of the following is applicable:

(A) two properly completed and duly signed original copies of Internal Revenue Service Form W-8BEN (or any successor forms) claiming eligibility for the benefits of an income tax treaty to which the United States is a party, and such other documentation as required under the Code,

(B) two properly completed and duly signed original copies of Internal Revenue Service Form W-8ECI (or any successor forms),

(C) in the case of a Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit K (United States Tax Compliance Certificate)* (any such certificate a "*United States Tax Compliance Certificate*") to the effect that (I) such Lender is not (1) a "bank"

within the meaning of Section 881(c)(3)(A) of the Code, (2) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (3) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code and (II) no payments in connection with any Loan Document are effectively connected with a United States trade or business conducted by such Lender and (y) two properly completed and duly signed original copies of Internal Revenue Service Form W-8BEN (or any successor forms),

(D) to the extent a Lender is not the beneficial owner (for example, where the Lender is a partnership, or is a Participant holding a participation granted by a participating Lender), two properly completed and duly signed original copies of Internal Revenue Service Form W-8IMY (or any successor forms) of the Lender, accompanied by a Form W-8ECI, W-8BEN, United States Tax Compliance Certificate, Form W-9, Form W-8IMY or any other required information from each beneficial owner, as applicable (*provided* that, if the Lender is a partnership and one or more beneficial owners are claiming the portfolio interest exemption, the United States Tax Compliance Certificate shall be provided by such Lender on behalf of such beneficial owners), or

(E) two properly completed and duly signed original copies of any other form prescribed by applicable U.S. federal income tax laws (including the Treasury Regulations) as a basis for claiming a complete exemption from, or a reduction in, United States federal withholding tax on any payments to such Lender under the Loan Documents.

Notwithstanding any other provision of this *clause (f)*, a Lender, Agent or Issuer shall not be required to deliver any form that such Lender, Agent, or Issuer is not legally eligible to deliver.

Each Lender, Agent, and Issuer shall deliver to the Borrower and the Administrative Agent two further original copies of any previously delivered form or certification (or any applicable successor form) on or before the date that any such form or certification expires or becomes obsolete or inaccurate and promptly after the occurrence of any event requiring a change in the most recent form previously delivered by it to the Borrower or the Administrative Agent, or promptly notify the Borrower and the Administrative Agent that it is unable to do so. Each Lender, Agent, and Issuer shall promptly notify the Administrative Agent at any time it determines that it is no longer in a position to provide any previously delivered form or certification to the Borrower or the Administrative Agent.

(g) Any Lender, Agent or Issuer claiming any additional amounts payable pursuant to this *Section 2.16* shall use its reasonable efforts (consistent with its internal policies and Requirements of Law) to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any such additional amounts that would be payable or may thereafter accrue and would not, in the sole but reasonable determination of such Lender, Agent or Issuer result in any unreimbursed cost or expense or otherwise be disadvantageous to such Lender, Agent or Issuer.

Section 2.17 Substitution of Lenders

(a) In the event that (i)(A) any Lender makes a claim under *Section 2.14(c) (Special Provisions Governing Eurodollar Rate Loans)* or *2.15 (Capital Adequacy)*, (B) it becomes illegal for any Lender to continue to fund or make any Eurodollar Rate Loan and such Lender notifies the Borrower pursuant to *Section 2.14(d) (Special Provisions Governing Eurodollar Rate Loans)*, (C) any Loan Party is required to make any payment pursuant to *Section 2.16 (Taxes)* that is attributable to a particular Lender

or (D) any Lender becomes a Defaulting Lender, (ii) in the case of *clause (i)(A)* above, as a consequence of increased costs in respect of which such claim is made, the effective rate of interest payable to such Lender under this Agreement with respect to its Loans materially exceeds the effective average annual rate of interest payable to the Requisite Lenders under this Agreement and (iii) in the case of *clause (i)(A)*, *(B)* and *(C)* above, Revolving Credit Lenders holding at least 75% of the Revolving Credit Commitments are not subject to such increased costs or illegality, payment or proceedings (any such Lender, an "*Affected Lender*"), the Borrower may substitute any Lender and, if reasonably acceptable to the Administrative Agent, any other Eligible Assignee (a "*Substitute Institution*") for such Affected Lender hereunder, after delivery of a written notice (a "*Substitution Notice*") by the Borrower to the Administrative Agent and the Affected Lender within a reasonable time (in any case not to exceed 90 days) following the occurrence of any of the events described in *clause (i)* above that the Borrower intends to make such substitution; *provided*, *however*, that, if more than one Lender claims increased costs, illegality or right to payment arising from the same act or condition and such claims are received by the Borrower within 30 days of each other, then the Borrower may substitute all, but not (except to the extent the Borrower has already substituted one of such Affected Lenders before the Borrower's receipt of the other Affected Lenders' claim) less than all, Lenders making such claims; *provided*, *further*, that in the event of any such substitution resulting from a claim for compensation under *Section 2.14(c) (Special Provisions Governing Eurodollar Rate Loans)* or payments required to be made pursuant to *Section 2.16 (Taxes)*, such substitution will result in a material reduction in such compensation or payments.

(b) If the Substitution Notice was properly issued under this *Section 2.17*, the Affected Lender shall sell, and the Substitute Institution shall purchase, all rights and claims of such Affected Lender under the Loan Documents and the Substitute Institution shall assume, and the Affected Lender shall be relieved of, the Affected Lender's Revolving Credit Commitments and all other prior unperformed obligations of the Affected Lender under the Loan Documents (other than in respect of any damages (other than exemplary or punitive damages, to the extent permitted by applicable law) in respect of any such unperformed obligations). Such purchase and sale (and the corresponding assignment of all rights and claims hereunder) shall be recorded in the Register maintained by the Administrative Agent and shall be effective on (and not earlier than) the latest of (i) the receipt by the Affected Lender of its Ratable Portion of the Revolving Credit Outstandings and Term Loans, together with any other Obligations owing to it, (ii) the receipt by the Administrative Agent of an agreement in form and substance satisfactory to it and the Borrower whereby the Substitute Institution shall agree to be bound by the terms hereof and (iii) the payment in full to the Affected Lender in cash of all fees, unreimbursed costs and expenses and indemnities accrued and unpaid through such effective date. Upon the effectiveness of such sale, purchase and assumption, the Substitute Institution shall become a "*Lender*" hereunder for all purposes of this Agreement having a Commitment in the amount of such Affected Lender's Commitment assumed by it and such Commitment of the Affected Lender shall be terminated; *provided*, *however*, that all indemnities under the Loan Documents shall continue in favor of such Affected Lender.

(c) Each Lender agrees that, if it becomes an Affected Lender and its rights and claims are assigned hereunder to a Substitute Institution pursuant to this *Section 2.17*, it shall execute and deliver to the Administrative Agent an Assignment and Acceptance to evidence such assignment, together with any Note (if such Loans are evidenced by a Note) evidencing the Loans subject to such Assignment and Acceptance; *provided*, *however*, that the failure of any Affected Lender to execute an Assignment and Acceptance shall not render such assignment invalid. The Substitute Institution shall pay any applicable recordation or processing fees set forth in *Section 11.2(b) (Assignments and Participations)* in connection with such assignment pursuant to this *clause (c)*.

Section 2.18 Defaulting Lenders

(a) *Adjustments*. Notwithstanding anything contained in this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) *Waivers and Amendments*. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in *Section 11.1 (Amendments, Waivers, Etc.)*.

(ii) *Reallocation of Payments*. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to *Article VIII (Negative Covenants)* or otherwise, and including any amounts made available to the Administrative Agent by such Defaulting Lender pursuant to *Section 11.6 (Right of Set-off)*), shall be applied by the Administrative Agent as follows; *first*, as to any payment made in respect of principal of Loans, ratably to the principal amount of Loans of other Lenders as if such Defaulting Lender had no Loans outstanding, until such time as the Outstanding Amount of Loans of each Lender shall equal its pro rata share thereof based on its Ratable Portion (without giving effect to *Section 2.18(a)(iv) (Defaulting Lenders)*); *second*, to any amounts (including interest thereon) owed hereunder by such Defaulting Lender to the Administrative Agent; *third*, to any amounts (including interest thereon) owed hereunder by such Defaulting Lender to the Issuers or Swing Loan Lender (to the extent the Administrative Agent has received notice thereof), ratably to the Persons entitled thereto, *fourth*, to the posting of cash collateral into a Cash Collateral Account (or funding of participations, as applicable) in respect of its Ratable Portion (without giving effect to *Section 2.18(a)(iv) (Defaulting Lenders)*) of Letter of Credit Obligations and Swing Loans, (x) ratably to the Issuers and Swing Loan Lender in accordance with their respective applicable Fronting Exposures and (y) thereafter, to reduce ratably any reallocation of Ratable Portion of other Lenders previously effected under *Section 2.18(a)(iv) (Defaulting Lenders)*; and *fifth*, to the Defaulting Lender or otherwise as required by applicable Requirements of Law. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied to pay amounts owed by a Defaulting Lender or to post cash collateral into a Cash Collateral Account pursuant to this *subsection 2.18(a)(ii)* shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) *Certain Fees*. Such Defaulting Lender (i) shall not be entitled to receive any commitment fee pursuant to *Section 2.12(a) (Fees)* for any period during which such Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender) and (ii) shall be limited in its right to receive the fees as provided in *Section 2.12(b) (Fees)*.

(iv) *Reallocation of Ratable Portions to Reduce Fronting Exposure*. During any period in which there is a Defaulting Lender as to which an Issuer or Swing Loan Lender (as applicable) has not received cash collateral pursuant to *Section 2.3 (Swing Loans)* or *2.4 (Letters of Credit)*, then upon the request of such Issuer or Swing Loan Lender (as applicable) to the Administrative Agent, for purposes of computing the amount of the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit or Swing Loans pursuant to *Sections 2.3 (Swing Loans)* and *2.4 (Letters of Credit)*, the "Ratable Portion" of each non-Defaulting Lender shall be computed without giving effect to the Commitment of such Defaulting Lender; *provided*, that, (i) each such reallocation shall be given effect only if, at the initial date

thereof, no Default or Event of Default shall have occurred and be continuing; and (ii) in all cases, the obligation of each non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit or Swing Loans shall not exceed the positive difference, if any, between (1) the Commitment of such non-Defaulting Lender and (2) the aggregate Outstanding Amount of the Loans of such Lender, *plus* such Lender's Ratable Portion of the Outstanding Amount of all other Letter of Credit Obligations (prior to giving effect to such reallocation), *plus* such Lender's Ratable Portion of the Outstanding Amount of all other Swing Loans (prior to giving effect to such reallocation).

(b) *Defaulting Lender Cure*. If the Borrower, the Administrative Agent, Swing Loan Lender and the Issuers agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral Account), such Lender will, to the extent applicable, purchase such portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Loans to be held on a pro rata basis by the Lenders in accordance with their Ratable Portion (without giving effect to *Section 2.18(a)(iv) (Defaulting Lenders)*), whereupon such Lender will cease to be a Defaulting Lender (and the Ratable Portion of each Lender will automatically be adjusted on a prospective basis to reflect the foregoing); *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while such Lender was a Defaulting Lender; and *provided*, *further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender's having been a Defaulting Lender.

ARTICLE III

CONDITIONS TO LOANS AND LETTERS OF CREDIT

Section 3.1 Conditions Precedent to Initial Loans and Letters of Credit

The obligation of each Lender to make the Loans requested to be made by it on the Closing Date and the obligation of each Issuer to Issue Letters of Credit on the Closing Date is subject to the satisfaction or due waiver in accordance with *Section 11.1 (Amendments, Waivers, Etc.)* of each of the following conditions precedent on or before March 24, 2010:

(a) *Certain Documents*. The Administrative Agent shall have received on or prior to the Closing Date (and, to the extent any Borrowing of any Eurodollar Rate Loans is requested to be made on the Closing Date, in respect of the Notice of Borrowing for such Eurodollar Rate Loans, at least three Business Days prior to the Closing Date) each of the following, each dated the Closing Date unless otherwise indicated or agreed to by the Administrative Agent and the Syndication Agent, in form and substance satisfactory to each of the Administrative Agent and the Syndication Agent and in sufficient copies for each Lender:

(i) this Agreement, duly executed and delivered by the Borrower and the Parent and, for the account of each Lender requesting the same, a Note of the Borrower conforming to the requirements set forth herein;

(ii) the Guaranty, duly executed by each Guarantor;

(iii) each Foreign Collateral Document, duly executed by the appropriate Loan Parties;

(iv) the Pledge and Security Agreement, duly executed by the Borrower and each Guarantor, together with each of the following:

(A) evidence satisfactory to each of the Administrative Agent and the Syndication Agent that, upon the filing and recording of instruments delivered at the Closing, the Collateral shall be subject to the Requisite Priority Liens (subject to Liens permitted hereunder), including (x) such documents duly executed by each Loan Party as each of the Administrative Agent and the Syndication Agent may request with respect to the perfection of the Requisite Priority Liens in the Collateral (including financing statements under the UCC, short-form security agreements relating to patents, trademarks and registered copyrights in the United States suitable for filing with the United States Patent and Trademark Office, the United States Copyright Office, as the case may be, and other applicable documents under the laws of any jurisdiction with respect to the perfection of Liens created by the Pledge and Security Agreement) and (y) copies of UCC search reports as of a recent date listing all effective financing statements that name any Loan Party as debtor, together with copies of such financing statements, none of which shall cover the Collateral except for those that shall be terminated on the Closing Date or are otherwise permitted hereunder;

(B) all certificates, instruments and other documents representing all Pledged Stock being pledged pursuant to such Pledge and Security Agreement and stock powers for such certificates, instruments and other documents executed in blank;

(C) all instruments representing Pledged Debt Instruments being pledged pursuant to such Pledge and Security Agreement duly endorsed in blank, including, without limitation, intercompany notes in form and substance and from Loan Parties and their Subsidiaries reasonably satisfactory to the Administrative Agent and the Syndication Agent; and

(D) all Deposit Account Control Agreements set forth on Schedule 6 to the Pledge and Security Agreement, duly executed by the corresponding depositary bank and Loan Party;

(v) a favorable opinion of Alston & Bird LLP, counsel to the Loan Parties, in substantially the form of *Exhibit G (Form of Opinion of Counsel for the Loan Parties)*, addressed to the Agents and the Lenders and addressing such other matters as any Lender through any Agent may reasonably request;

(vi) a copy of each Senior Notes Document and each Disclosure Document, in each case certified as being complete and correct by a Responsible Officer of the Parent;

(vii) a copy of the articles or certificate of incorporation (or equivalent Constituent Document) of each Loan Party, certified as of a recent date by the Secretary of State of the state of organization of such Loan Party, together with certificates of such official attesting to the good standing of each such Loan Party;

(viii) a certificate of the Secretary or an Assistant Secretary of each Loan Party certifying (A) the names and true signatures of each officer of such Loan Party that has been authorized to execute and deliver any Loan Document or other document required hereunder to be executed and delivered by or on behalf of such Loan Party, (B) the by-laws (or equivalent Constituent Document) of such Loan Party as in effect on the date of such certification, (C) the resolutions of such Loan Party's board of directors (or equivalent governing body) approving and authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party and (D) that there have been no changes in the certificate of incorporation (or equivalent Constituent Document) of such Loan Party from the certificate of incorporation (or equivalent Constituent Document) delivered pursuant to *clause (vii)* above;

(ix) at the option of the Parent, either (A) a certificate of a Responsible Officer of the Parent or (B) a solvency opinion from an independent financial accountant reasonably acceptable to each of the Administrative Agent and the Syndication Agent, in each case stating that the Borrower, individually, and the Parent and its Subsidiaries, taken as a whole, are Solvent on a Consolidated basis immediately after giving effect to the Transactions, the initial Loans and Letters of Credit, the application of the proceeds thereof in accordance with *Section 7.9 (Use of Proceeds)* and the payment of all estimated legal, accounting and other fees related hereto and thereto;

(x) a certificate of a Responsible Officer of the Parent to the effect that (A) the condition set forth in *Section 3.2(b) (Conditions Precedent to Each Loan and Letter of Credit)* has been satisfied and (B) no litigation not listed on *Schedule 4.7 (Litigation)* shall have been commenced against any Loan Party or any of its Subsidiaries that would have a Material Adverse Effect;

(xi) evidence satisfactory to each of the Administrative Agent and the Syndication Agent that the insurance policies required by *Section 7.5 (Maintenance of Insurance)* and any Collateral Document are in full force and effect, together with, unless otherwise agreed by each of the Administrative Agent and the Syndication Agent, endorsements naming the Administrative Agent as an additional insured or loss payee under all insurance policies to be maintained with respect to the properties of the Parent, the Borrower and each other Loan Party; and

(xii) such other certificates, documents, agreements and information respecting any Loan Party as any Lender through the Administrative Agent or the Syndication Agent may reasonably request.

(b) *Fee and Expenses Paid.* There shall have been paid to the Administrative Agent, for the account of the Agents, the Issuers and the Lenders, as applicable, all fees and expenses (including reasonable fees and expenses of counsel) due and payable on or before the Closing Date (including all such fees described in the Fee Letters).

(c) *Refinancing of Existing Credit Agreement.* (i) All Indebtedness and other obligations issued under or in connection with the Existing Credit Agreement shall have been repaid in full, (ii) the Existing Credit Agreement and all documents executed in connection therewith shall have been terminated on terms satisfactory to each of the Administrative Agent and the Syndication Agent and (iii) the Administrative Agent shall have received an executed payoff letter with respect thereto in form and substance satisfactory to the Administrative Agent and the Syndication Agent.

(d) *Other Transactions*. Each of the Administrative Agent and the Syndication Agent shall be satisfied (and may, but shall not be obligated to, rely on the receipt of a certificate from any Loan Party or any Affiliate thereof for all or part of such purpose) that (i) up to $150,000,000 aggregate principal amount of the Senior Notes shall have been issued in accordance with the Senior Notes Indenture and the Borrower shall have received net proceeds thereof and (ii) the tender offer for the Existing Senior Subordinated Notes (the "*Tender Offer*") shall have commenced. The Borrower shall have delivered a notice of redemption of the Existing Senior Subordinated Notes to the Existing Senior Subordinated Notes Trustee, with respect to any Existing Senior Subordinated Notes not tendered on or prior to the Closing Date for such redemption to occur on April 15, 2010 (the "*Existing Senior Subordinated Notes Redemption Date*"), and the Agents shall have received a copy of such notice.

(e) *Consents, Etc*. Each of the Parent and its Subsidiaries shall have received all consents and authorizations required pursuant to any material Contractual Obligation with any other Person and shall have obtained all Permits of, and effected all notices to and filings with, any Governmental Authority, in each case, as may be necessary to allow each of the Parent and its Subsidiaries lawfully (i) to execute, deliver and perform, in all material respects, their respective obligations hereunder and under the Loan Documents and the Senior Notes Documents to which each of them, respectively, is, or shall be, a party and each other agreement or instrument to be executed and delivered by each of them, respectively, pursuant thereto or in connection therewith and (ii) to create and perfect the Liens on the Collateral to be owned by each of them in the manner and for the purpose contemplated by the Loan Documents.

Section 3.2 Conditions Precedent to Each Loan and Letter of Credit

The obligation of each Lender on any date (including the Closing Date) to make any Loan and of each Issuer on any date (including the Closing Date) to Issue any Letter of Credit is subject to the satisfaction of each of the following conditions precedent:

(a) *Request for Borrowing or Issuance of Letter of Credit*. With respect to any Loan, the Administrative Agent shall have received a duly executed Notice of Borrowing (or, in the case of Swing Loans, a duly executed Swing Loan Request), and, with respect to any Letter of Credit, the Administrative Agent and the applicable Issuer shall have received a duly executed Letter of Credit Application.

(b) *Representations and Warranties; No Defaults*. The following statements shall be true on the date of such Loan or Issuance, both before and after giving effect thereto and, in the case of any Loan, to the application of the proceeds thereof:

(i) the representations and warranties set forth in *Article IV (Representations and Warranties)* and in the other Loan Documents shall be true and correct on and as of the Closing Date and shall be true and correct in all material respects on and as of any such date after the Closing Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date; and

(ii) no Default or Event of Default shall have occurred and be continuing.

(c) *No Legal Impediments*. The making of the Loans or the Issuance of such Letter of Credit on such date does not violate any Requirement of Law on the date of or immediately

following such Loan or Issuance of such Letter of Credit and is not enjoined, temporarily, preliminarily or permanently.

Each submission by the Borrower to the Administrative Agent of a Notice of Borrowing or a Swing Loan Request and the acceptance by the Borrower of the proceeds of each Loan requested therein, and each submission by the Borrower to an Issuer of a Letter of Credit Application, and the Issuance of each Letter of Credit requested therein, shall be deemed to constitute a representation and warranty by the Borrower and the Parent as to the matters specified in *clause (b)* above on the date of the making of such Loan or the Issuance of such Letter of Credit.

Section 3.3 Conditions Precedent to Each Facilities Increase

Each Facilities Increase shall not become effective prior to the satisfaction of all of the following conditions precedent:

(a) *Certain Documents*. The Administrative Agent shall have received on or prior to the Facilities Increase Date for such Facilities Increase each of the following, each dated such Facilities Increase Date unless otherwise indicated or agreed to by the Administrative Agent and each in form and substance satisfactory to the Administrative Agent:

(i) written commitments duly executed by existing Lenders (or their Affiliates or Approved Funds) or Eligible Assignees in an aggregate amount equal to the amount of the proposed Facilities Increase (as agreed between the Borrower and the Administrative Agent but in any case not to exceed, in the aggregate for all such Facilities Increases, the applicable maximum amount set forth in *Section 2.1(c) (Facilities Increase)*) and, in the case of each such Eligible Assignee or Affiliate or Approved Fund that is not an existing Lender, an assumption agreement in form and substance satisfactory to the Administrative Agent and duly executed by the Borrower, the Administrative Agent and such Affiliate, Approved Fund or Eligible Assignee;

(ii) an amendment to this Agreement (including to *Schedule I (Commitments)*), effective as of the Facilities Increase Date and executed by the Borrower and the Administrative Agent, to the extent necessary to implement terms and conditions of the Facilities Increase (including interest rates, fees and scheduled repayment dates and maturity), as agreed by the Borrower and the Administrative Agent but, which, in any case, except for of interest, fees, scheduled repayment dates and maturity, shall not be applied materially differently to the Facilities Increase and the existing Facilities;

(iii) certified copies of resolutions of the board of directors of each Loan Party approving the consummation of such Facilities Increase and the execution, delivery and performance of the corresponding amendments to this Agreement and the other documents to be executed in connection therewith;

(iv) a favorable opinion of counsel for the Loan Parties, addressed to the Administrative Agent and the Lenders and in form and substance and from counsel reasonably satisfactory to the Administrative Agent; and

(v) such other document as the Administrative Agent may reasonably request or as any Lender participating in such Facilities Increase may require as a condition to its commitment in such Facilities Increase.

(b) *Fee and Expenses Paid*. There shall have been paid to the Administrative Agent, for the account of the Administrative Agent and the Lenders (including any Person becoming a Lender as part of such Facilities Increase on such Facilities Increase Date), as applicable, all fees and expenses (including reasonable fees and expenses of counsel) due and payable on or before the Facilities Increase Date (including all such fees described in the Fee Letters).

(c) *Conditions to Each Loan and Letter of Credit*. (i) The conditions precedent set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* shall have been satisfied both before and after giving effect to such Facilities Increase, (ii) such Facilities Increase shall be made on the terms and conditions set forth in *Section 2.1(c)(i) (Facilities Increase)* and (iii) the Borrower and the Parent shall be in compliance with *Article V (Financial Covenants)* on such Facilities Increase Date for the most recently ended Fiscal Quarter on a pro forma basis both before and after giving effect to such Facilities Increase.

Section 3.4 Determinations of Initial Borrowing Conditions

For purposes of determining compliance with the conditions specified in *Section 3.1 (Conditions Precedent to Initial Loans and Letters of Credit)*, each Lender shall be deemed to have consented to, approved, accepted or be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by the Loan Documents shall have received notice from such Lender prior to the initial Borrowing, borrowing of Swing Loans or Issuance or deemed Issuance hereunder specifying its objection thereto and such Lender shall not have made available to the Administrative Agent such Lender's Ratable Portion of such Borrowing or Swing Loans.

ARTICLE IV

Representations and Warranties

To induce the Lenders, the Issuers and the Administrative Agent to enter into this Agreement, each of the Parent and the Borrower represents and warrants each of the following to the Lenders, the Issuers and the Administrative Agent, on and as of the Closing Date and immediately after giving effect to the Transactions and the making of the Loans and the other financial accommodations on the Closing Date and on and as of each date as required by *Section 3.2(b)(i) (Conditions Precedent to Each Loan and Letter of Credit)*:

Section 4.1 Corporate Existence; Compliance with Law

(a) Each of the Parent and its Subsidiaries (i) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) is duly qualified to do business as a foreign entity and in good standing under the laws of each jurisdiction where such qualification is necessary, except where the failure to be so qualified or in good standing would not, in the aggregate, have a Material Adverse Effect, (iii) has all requisite power and authority and the legal right to own, pledge, mortgage and operate its properties, to lease the property it operates under lease and to conduct its business as now or currently proposed to be conducted, (iv) is in compliance with its Constituent Documents, (v) is in compliance with all applicable Requirements of Law except where the failure to be in compliance would not, in the aggregate, have a Material Adverse Effect and (vi) has all necessary Permits from or by, has made all necessary filings with, and has given all necessary notices to, each Governmental Authority having jurisdiction, to the extent required for such ownership, operation and conduct, except for Permits or filings that can be obtained or made by the taking of ministerial action to secure the grant or

transfer thereof or the failure to obtain or make would not, in the aggregate, have a Material Adverse Effect.

(b) To the knowledge of the Parent and the Borrower, none of the Parent or any of its Subsidiaries (and, to the knowledge of the Parent and its Subsidiaries, no Permitted Joint Venture) is in violation in any material respects of any United States Requirements of Law relating to terrorism, sanctions or money laundering ("*Anti-Terrorism Laws*"), including United States Executive Order No. 13224 on Terrorist Financing (the "*Anti-Terrorism Order*"), and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

(c) To the knowledge of the Parent and the Borrower, none of the Parent or any of its Subsidiaries (and, to the knowledge of the Parent and its Subsidiaries, no Permitted Joint Venture) is any of the following:

(i) a person that is listed in the annex to, or is otherwise subject to the provisions of, the Anti-Terrorism Order;

(ii) a person owned or controlled by, or acting for or on behalf of, any person that is listed in the annex to, or is otherwise subject to the provisions of, the Anti-Terrorism Order;

(iii) a person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or

(iv) a person that is named as a "specially designated national and blocked person" in the most current list published by the U.S. Treasury Department Office of Foreign Assets Control.

(d) To the knowledge of the Parent and the Borrower, none of the Parent or any of its Subsidiaries and no Permitted Joint Venture (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in *clause (c)* above, (ii) deals in, or otherwise engages in any transactions relating to, any property or interests in property blocked pursuant to the Anti-Terrorism Order or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

Section 4.2 Corporate Power; Authorization; Enforceable Obligations

(a) The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party and the consummation of the transactions contemplated thereby:

(i) are within such Loan Party's corporate, limited liability company, partnership or other powers;

(ii) have been or, at the time of delivery thereof pursuant to *Article III (Conditions to Loans and Letters of Credit)* will have been duly authorized by all necessary action, including the consent of shareholders, partners and members where required;

(iii) do not and will not (A) contravene such Loan Party's or any of its Subsidiaries' respective Constituent Documents, (B) violate any other Requirement of Law applicable to such Loan Party (including Regulations T, U and X of the Federal Reserve Board), or any order or decree of any Governmental Authority or arbitrator applicable to such Loan Party, (C) conflict with

or result in the breach of, or constitute a default under, or result in or permit the termination or acceleration of, any Senior Notes Document or any other material Contractual Obligation of such Loan Party or any of its Subsidiaries or (D) result in the creation or imposition of any Lien upon any property of such Loan Party or any of its Subsidiaries, other than those in favor of the Secured Parties pursuant to the Collateral Documents; and

(iv) do not require the consent of, authorization by, approval of, notice to, or filing or registration with, any Governmental Authority or any other Person, other than those listed on *Schedule 4.2 (Consents)* and that have been or will be, prior to the Closing Date, obtained or made, copies of which have been or will be delivered to the Administrative Agent pursuant to *Section 3.1 (Conditions Precedent to Initial Loans and Letters of Credit)*, and each of which on the Closing Date will be in full force and effect and, with respect to the Collateral, filings required to perfect the Liens created by the Collateral Documents and release Liens in respect of the Existing Credit Agreement.

(b) This Agreement has been, and each of the other Loan Documents will have been upon delivery thereof pursuant to the terms of this Agreement, duly executed and delivered by each Loan Party party thereto. This Agreement is, and the other Loan Documents will be, when delivered hereunder, the legal, valid and binding obligation of each Loan Party party thereto, enforceable against such Loan Party in accordance with its terms, except as such enforceability may be limited by general principles of equity and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally.

Section 4.3 Ownership of Parent; Subsidiaries

(a) Set forth on Schedule 1 to the Pledge and Security Agreement is a complete and accurate list showing, as of the Closing Date, the Parent and each of its Subsidiaries and, as to each such Person, the jurisdiction of its organization, the number of shares of each class of Stock authorized (if applicable), the number outstanding on the Closing Date and the number and percentage of the outstanding shares of each such class owned (directly or indirectly) by any Loan Party.

(b) No Stock of any Subsidiary of the Parent is subject to any outstanding option, warrant, right of conversion or purchase of any similar right. All of the outstanding Stock of each Subsidiary of the Parent owned (directly or indirectly) by the Parent has been validly issued, is fully paid and non-assessable (to the extent applicable) and is owned by the Parent or a Subsidiary of the Parent, free and clear of all Liens, other than the Lien in favor of the Secured Parties created pursuant to the Pledge and Security Agreement and Customary Permitted Liens. Neither the Parent nor any of its Subsidiaries is a party to (or, with respect to the Stock of each Subsidiary of the Parent, has knowledge of) (i) any agreement restricting the transfer or hypothecation of any Stock of any such Subsidiary, other than the Loan Documents, the Existing Senior Subordinated Notes (until tendered or redeemed in full) and the Senior Notes Documents or (ii) any agreement or understanding with respect to the voting, sale or transfer of any shares of Stock of the Parent or any agreement restricting the transfer or hypothecation of any such shares. Neither the Parent nor any of its Subsidiaries owns or holds, directly or indirectly, any Stock of any Person other than such Subsidiaries and Investments permitted by *Section 8.3 (Investments)*.

Section 4.4 Financial Statements

(a) The Financial Statements listed on *Schedule 4.4 (Financial Statements)*, copies of each of which have been furnished to each Lender, fairly present in all material respects, subject, in the case of such Financial Statements that are not certified by independent financial accountants to the absence of footnote disclosure and normal recurring year-end audit adjustments, the Consolidated financial

condition of the Parent and its Subsidiaries as at the dates set forth on such *Schedule 4.4* for such Financial Statements and the Consolidated results of the operations of the Parent and its Subsidiaries for the period ended on such dates, all in conformity with GAAP.

(b) As of the Closing Date, neither the Parent nor any of its Subsidiaries has any material obligation, contingent liability or liability for taxes, long-term leases or unusual forward or long-term commitment that (i) is not reflected in the Financial Statements referred to in *clause (a)* above or in the notes thereto, (ii) is required to be disclosed in such Financial Statements and (iii) is not permitted by this Agreement.

(c) The Projections have been prepared by the Parent in light of the past operations of its business, and reflect projections for the period from January 1, 2010 through March 31, 2015 (on a quarter by quarter basis through Fiscal Year 2011 and on a year by year basis thereafter). The Projections are based upon estimates and assumptions stated therein, all of which the Parent believes to be reasonable and fair on the Closing Date in light of current conditions and current facts known to the Parent and, as of the Closing Date, reflect the Parent's good faith and reasonable estimates of the future financial performance of the Parent and its Subsidiaries and of the other information projected therein for the periods set forth therein. Notwithstanding the foregoing, it is understood that such Projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Parent and its Subsidiaries and that no assurance can be given that such Projections will be realized.

Section 4.5 Material Adverse Change

Since March 31, 2008, there has been no Material Adverse Change and there have been no events or developments that, in the aggregate, have had a Material Adverse Effect.

Section 4.6 Solvency

Both before and immediately after giving effect to (a) the Loans and Letter of Credit Obligations to be made or extended on the Closing Date or such other date as Loans and Letter of Credit Obligations requested hereunder are made or extended, (b) the disbursement of the proceeds of such Loans pursuant to the instructions of the Borrower, (c) the consummation of the other Transactions and other financing transactions contemplated hereby, (d) the payment and accrual of all transaction costs in connection with the foregoing and (e) all contingent rights of contribution and all intercompany loans, the Borrower is Solvent and the Loan Parties, on a Consolidated Basis, are Solvent.

Section 4.7 Litigation

Except as set forth on *Schedule 4.7 (Litigation)*, there are no pending or, to the knowledge of the Parent and the Borrower, threatened actions, investigations or proceedings affecting the Parent or any of its Subsidiaries before any court, Governmental Authority or arbitrator other than those that, in the aggregate, would not have a Material Adverse Effect. The performance of any action by any Loan Party required or contemplated by any Loan Document or any Senior Notes Document is not restrained or enjoined (either temporarily, preliminarily or permanently).

Section 4.8 Taxes

(a) All federal and material state, local and foreign income and franchise and other material tax returns, reports and statements (collectively, the "*Tax Returns*") required to be filed by the Parent or any of their respective Tax Affiliates have been filed with the appropriate Governmental Authorities in all jurisdictions in which such Tax Returns are required to be filed, all such Tax Returns are

true and correct in all material respects, and all Taxes reflected in such Tax Returns and all material federal, state, local and foreign income, franchise and other material Taxes otherwise due and payable by each such entity (including in its capacity as a withholding agent) have been paid prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for non-payment thereof, except where such Taxes are being contested in good faith and by appropriate proceedings if adequate reserves therefor have been established on the books of the Parent or such Tax Affiliate in conformity with GAAP. On the Closing Date, no Tax Return is under audit or examination by any Governmental Authority and no notice of such an audit or examination has been given or made by any Governmental Authority. No assertion of any claim, assessment or deficiency for any material federal, state, local or foreign income, franchise or any other material Taxes has been given or made by any Governmental Authority that is in excess of any reserves therefor that have been established on the books of the Parent or any of its Tax Affiliates in conformity with GAAP and none of the Parent or any of its Tax Affiliates has any knowledge that any Governmental Authority is considering making any such assertion in the foreseeable future. Proper and accurate amounts have been withheld by the Parent and each of its Tax Affiliates from their respective employees for all periods in compliance in all material respects with the tax, social security and unemployment withholding provisions of applicable Requirements of Law and such withholdings have been timely paid to the respective Governmental Authorities.

(b) None of the Parent nor any of its Tax Affiliates has (i) incurred any obligation under any tax sharing agreement or arrangement other than those of which the Administrative Agent has received a copy prior to the date hereof or (ii) been a member of an affiliated, combined or unitary group other than the group of which the Parent or any of its Tax Affiliates is the common parent.

Section 4.9 Full Disclosure

The written, factual information (other than projections, budgets, other estimates and general market data) concerning any of the Parent and its Subsidiaries prepared or furnished by or on behalf of the Parent or the Borrower in connection with this Agreement or the Senior Notes Documents or the consummation of the transactions contemplated hereunder and thereunder taken as a whole, including the information contained in the Disclosure Documents, does not, as of the date furnished (or as of the date this representation is made when considered together with all other information furnished thereafter), contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein, taken as a whole, not materially misleading in light of the circumstances under which such statements were and are made.

Section 4.10 Margin Regulations

No Loan Party is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Federal Reserve Board), and no proceeds of any Loan will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying any such margin stock in contravention of Regulation T, U or X of the Federal Reserve Board.

Section 4.11 No Burdensome Restrictions; No Defaults

(a) Neither the Parent nor any of its Subsidiaries (i) is a party to any Contractual Obligation the compliance with one or more of which would have, in the aggregate, a Material Adverse Effect or (ii) is subject to one or more charter or corporate restrictions that would, in the aggregate, have a Material Adverse Effect.

(b) Neither the Parent nor any of its Subsidiaries is in default under or with respect to any Contractual Obligation owed by it, and, to the knowledge of the Parent and the Borrower, no other party is in default under or with respect to any Contractual Obligation owed to the Parent or any of its Subsidiaries, other than, in either case, those defaults that, in the aggregate, would not have a Material Adverse Effect.

(c) No Default or Event of Default has occurred and is continuing.

(d) To the knowledge of the Parent and the Borrower, there are no Requirements of Law applicable to the Parent or any of its Subsidiaries the compliance with which by the Parent or such Subsidiary, as the case may be, would, in the aggregate, have a Material Adverse Effect.

Section 4.12 Investment Company Act

None of the Parent or any of its Subsidiaries is an "*investment company*" or an "*affiliated person*" of, or "*promoter*" or "*principal underwriter*" for, an "*investment company*," as such terms are defined in the Investment Company Act of 1940, as amended.

Section 4.13 Use of Proceeds

The proceeds of the Loans and the Letters of Credit are being used by the Borrower (and, to the extent distributed to them by the Borrower, each other Loan Party) solely (a) to refinance all Indebtedness and other obligations (other than indemnification and other obligations that survive repayment of the Indebtedness by their terms) outstanding under the Existing Credit Agreement and the Existing Senior Subordinated Notes, (b) for the payment of transaction costs, fees and expenses incurred in connection with this Agreement and the other Transactions and (c) for working capital and general corporate purposes (including to make Permitted Acquisitions).

Section 4.14 Insurance

All policies of insurance of any kind or nature of the Parent or any of its Subsidiaries, including policies of life, fire, theft, product liability, public liability, property damage, other casualty, employee fidelity, workers' compensation and employee health and welfare insurance, are in full force and effect and are of a nature and provide such coverage as, in the reasonable business judgment of a Responsible Officer of the Parent, is sufficient, appropriate and prudent for a business of the size and character of that of such Person.

Section 4.15 Labor Matters

(a) There are no strikes, work stoppages, slowdowns or lockouts pending or threatened against or involving the Parent or any of its Subsidiaries, other than those that, in the aggregate, would not have a Material Adverse Effect.

(b) There are no unfair labor practices, grievances, complaints or arbitrations pending, or, to the Borrower's and Parent's knowledge, threatened, against or involving the Parent or any of its Subsidiaries, nor are there any arbitrations or grievances threatened involving the Parent or any of its Subsidiaries, other than those that, in the aggregate, would not have a Material Adverse Effect.

(c) Except as set forth on *Schedule 4.15 (Labor Matters)*, as of the Closing Date, there is no collective bargaining agreement covering any employee of the Parent or any of its Subsidiaries.

(d) *Schedule 4.15 (Labor Matters)* sets forth, as of the date hereof, all material consulting agreements, executive employment agreements, executive compensation plans, deferred compensation agreements, employee stock purchase and stock option plans and severance plans of the Parent or any of its Subsidiaries.

Section 4.16 ERISA

(a) *Schedule 4.16 (List of Plans)* separately identifies as of the date hereof all Title IV Plans, all Multiemployer Plans and all of the employee benefit plans within the meaning of Section 3(3) of ERISA to which the Parent or any of its Subsidiaries has any obligation or liability, contingent or otherwise.

(b) Each employee benefit plan of the Parent or any of its Subsidiaries intended to qualify under Section 401 of the Code does so qualify, and any trust created thereunder is exempt from tax under the provisions of Section 501 of the Code, except where such failures, in the aggregate, would not have a Material Adverse Effect.

(c) Each Title IV Plan is in compliance in all material respects with applicable provisions of ERISA, the Code and other Requirements of Law except for non-compliances that, in the aggregate, would not have a Material Adverse Effect.

(d) There has been no, nor is there reasonably expected to occur, any ERISA Event other than those that, in the aggregate, would not have a Material Adverse Effect.

(e) Except to the extent set forth on *Schedule 4.16 (List of Plans)*, none of the Parent or any of its Subsidiaries or any ERISA Affiliate would have any Withdrawal Liability as a result of a complete withdrawal as of the date hereof from any Multiemployer Plan.

Section 4.17 Environmental Matters

Except as disclosed on *Schedule 4.17 (Environmental Matters)*,

(a) (i) the Parent and each of its Subsidiaries and their respective operations, Real Property and other assets, and (ii) to the knowledge of the Responsible Officers of the Parent and the Borrower (after reasonable inquiry by the Responsible Officers for such matters), the operations, Real Property and other assets of the persons providing manufacturing, warehousing and/or distribution services to the Parent and each of its Subsidiaries (in each case solely to the extent related to the performance of such services) (the "*Service Contractors*") have been and are in compliance with all Environmental Laws, including obtaining and complying with all required environmental, health and safety Permits, other than non-compliances that, in the aggregate, would not have a reasonable likelihood of the Parent and its Subsidiaries incurring Environmental Liabilities and Costs after the date hereof whose Dollar Equivalent would exceed $5,000,000;

(b) none of the Parent or any of its Subsidiaries or any Real Property or other assets currently or, to the knowledge of the Parent and the Borrower, previously owned, operated, leased, distributed or sold by or for the Parent or any of its Subsidiaries is subject to any pending or, to the knowledge of the Parent and the Borrower, threatened, claim, order, agreement, notice of violation, notice of potential liability or is the subject of any pending or threatened proceeding or governmental investigation under or pursuant to Environmental Laws other than those that, in the aggregate, are not reasonably likely to result in the Parent and its Subsidiaries incurring Environmental Liabilities and Costs whose Dollar Equivalent would exceed $5,000,000;

(c) none of the Parent or any of its Subsidiaries, any of their Real Property or other assets is a treatment, storage or disposal facility requiring a Permit under the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 *et seq*., the regulations thereunder or any state analog;

(d) there are no facts, circumstances or conditions arising out of or relating to the operations of the Parent or any of its Subsidiaries or, to the knowledge of the Responsible Officers of the Parent and the Borrower (after reasonable inquiry by the Responsible Officers of other appropriate officers of the Borrower and its Subsidiaries), of the Service Contractors, or of Real Property or other assets owned, operated, leased, distributed or sold by the Parent or any of its Subsidiaries or, to the knowledge of the Responsible Officers of the Parent and the Borrower (after reasonably inquiry by the Responsible Officers of other appropriate officers of the Borrower and its Subsidiaries), by the Service Contractors that are not specifically included in the financial information furnished to the Lenders other than those that, in the aggregate, would not have a reasonable likelihood of the Parent and its Subsidiaries incurring Environmental Liabilities and Costs whose Dollar Equivalent would exceed $5,000,000;

(e) as of the date hereof, no Environmental Lien has attached to any property of the Parent or any of its Subsidiaries and, to the knowledge of the Parent and the Borrower, no facts, circumstances or conditions exist that could reasonably be expected to result in any such Lien attaching to any such property; and

(f) as of the Closing Date, the Parent and each of its Subsidiaries has provided the Lenders with copies of all environmental, health or safety audits, studies, assessments, inspections, investigations or other environmental health and safety reports relating to the operations of the Parent or any of its Subsidiaries or any Real Property or other assets of any of them or of the Service Contractors that are in the possession, custody or control of the Parent or any of its Subsidiaries.

Section 4.18 Intellectual Property

Except as disclosed on *Schedule 4.18 (Intellectual Property)*, (a) the Parent and its Subsidiaries own or license or otherwise have the right to use all licenses, permits, patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights, copyright applications, Internet domain names, franchises, authorizations and other intellectual property rights (including all Intellectual Property) that are necessary for the operations of their respective businesses, including all trade names associated with any private label brands of the Parent or any of its Subsidiaries; (b) the Parent and its Subsidiaries take reasonable measures to protect all licenses, permits, patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights and copyright applications, internet domain names, franchises, authorizations and other intellectual property rights (including all Intellectual Property) that are necessary for the operations of their respective businesses, and to their knowledge, no third party is infringing, violating or misappropriating such licenses, permits, patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights and copyright applications, Internet domain names, franchises, authorizations and other intellectual property rights (including all Intellectual Property) that are necessary for the operations of their respective businesses; and (c) to the Borrower's and the Parent's and the Subsidiaries' knowledge, no license, permit, patent, patent application, trademark, trademark application, service mark, trade name, copyright, copyright application, Internet domain name, franchise, authorization, other intellectual property right (including all Intellectual Property), slogan or other advertising device, product, process, method, substance, part or component, or other material now employed, or now contemplated to be employed, by the Parent or any of its Subsidiaries infringes upon or conflicts with any rights owned by any other Person, and no claim or litigation regarding any of the foregoing is pending or threatened, except, in each of *clauses (a)*, *(b)* and *(c)*, as would not have a Material Adverse Effect.

Section 4.19 Title; Real Property

(a) Each of the Parent and its Subsidiaries has good and marketable title to, or valid leasehold interests in, all Real Property and good title to all personal property, in each case that is purported to be owned or leased by it, including those reflected on the most recent Financial Statements delivered by the Parent, and none of such properties and assets is subject to any Lien, except Liens permitted under *Section 8.2 (Liens, Etc.)*. The Parent and its Subsidiaries have received all deeds, assignments, waivers, consents, non-disturbance and recognition or similar agreements, bills of sale and other documents in respect of, and have duly effected all recordings, filings and other actions necessary to establish, protect and perfect, the Parent's and its Subsidiaries' right, title and interest in and to all such property.

(b) Set forth on *Schedule 4.19 (Real Property)* is a complete and accurate list of all Real Property of each Loan Party and its Subsidiaries and showing, as of the Closing Date, the current street address (including, where applicable, county, state and other relevant jurisdictions), record owner and, where applicable, lessee thereof.

(c) All Permits required to have been issued or appropriate to enable all Real Property of the Parent or any of its Subsidiaries to be lawfully occupied and used for all of the purposes for which they are currently occupied and used have been lawfully issued and are in full force and effect, other than those that, in the aggregate, would not have a Material Adverse Effect.

(d) None of the Parent or any of its Subsidiaries has received any notice, or has any knowledge, of any pending, threatened or contemplated condemnation proceeding affecting any Real Property of the Parent or any of its Subsidiaries or any part thereof, except those that, in the aggregate, would not have a Material Adverse Effect.

Section 4.20 Related Documents

(a) As of the Closing Date, the consummation of the transactions contemplated by the Senior Notes Documents by each Loan Party:

(i) is within such Loan Party's respective corporate, limited liability company, partnership or other powers;

(ii) has been duly authorized by all necessary corporate or other action, including the consent of stockholders where required;

(iii) does not and will not (A) contravene or violate any Loan Party's or any of its Subsidiaries' respective Constituent Documents, (B) violate any other Requirement of Law applicable to any Loan Party, (C) conflict with or result in the breach of, constitute a default under, or result in or permit the termination or acceleration of, any Contractual Obligation of any Loan Party or any of its Subsidiaries, except for those that, in the aggregate, would not have a Material Adverse Effect, or (D) result in the creation or imposition of any Lien upon any property of any Loan Party or any of its Subsidiaries other than a Lien permitted under *Section 8.2 (Liens, Etc.)*; and

(iv) does not require the consent of, authorization by, approval of, notice to, or filing or registration with, any Governmental Authority or any other Person, other than those that (A) will have been obtained at the Closing Date, each of which will be in full force and effect on the Closing Date, none of which will on the Closing Date impose materially adverse conditions

upon the exercise of control by the Parent over the Borrower or by the Borrower over any of its Subsidiaries and (B) in the aggregate, if not obtained, would not have a Material Adverse Effect.

(b) Each of the Senior Notes Documents has been or at the Closing Date will have been duly executed and delivered by each Loan Party party thereto and at the Closing Date will be the legal, valid and binding obligation of each Loan Party party thereto, enforceable against such Loan Party in accordance with its terms, except as such enforceability may be limited by general principles of equity and applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally.

(c) As of the Closing Date, none of the Senior Notes Documents has been amended or modified in any respect and no provision therein has been waived.

ARTICLE V

Financial Covenants

Each of Parent and the Borrower agrees with the Lenders, the Issuers and the Administrative Agent to each of the following, until all Secured Obligations are paid in full and, in each case, unless the Requisite Lenders otherwise consent in writing:

Section 5.1 Maximum Leverage Ratio

The Parent agrees with each of the Administrative Agent and each Revolving Credit Lender, Term Loan Lender, Swing Loan Lender and Issuer that it shall maintain, on the last day of each Fiscal Quarter set forth below, a Leverage Ratio of not more than the maximum ratio set forth below opposite such Fiscal Quarter:

Each Fiscal Quarter Ending During the Period	Maximum Leverage Ratio
From April 1, 2010 through March 31, 2011	4.30 to 1
From April 1, 2011 through December 31, 2012	4.00 to 1
From January 1, 2013 through December 31, 2013	3.75 to 1
January 1, 2014 and thereafter	3.50 to 1

Section 5.2 Minimum Interest Coverage Ratio

The Parent agrees with each of the Administrative Agent and each Revolving Credit Lender, Term Loan Lender, Swing Loan Lender and Issuer that it shall maintain an Interest Coverage Ratio, as determined as of the last day of each Fiscal Quarter set forth below, for the four Fiscal Quarters ending on such day, of at least the minimum ratio set forth below opposite such Fiscal Quarter:

Each Fiscal Quarter Ending During the Period	Minimum Interest Coverage Ratio
From April 1, 2010 through March 31, 2011	2.75 to 1
From April 1, 2011 through December 31, 2012	3.00 to 1
January 1, 2013 and thereafter	3.25 to 1

Section 5.3 **[Reserved.]**

Section 5.4 Capital Expenditures

The Parent shall not make or incur, or permit to be made or incurred, Capital Expenditures during any Fiscal Year to exceed $3,000,000 in the aggregate; *provided*, *however*, that to the extent that actual Capital Expenditures for any Fiscal Year shall be less than $3,000,000 (without giving effect to the carryover permitted by this proviso), the difference between said stated maximum amount and such actual Capital Expenditures shall, in addition, be available for Capital Expenditures in the next succeeding Fiscal Year.

ARTICLE VI

Reporting Covenants

Each of the Parent and the Borrower agrees with the Lenders, the Issuers and the Administrative Agent to each of the following, until all Secured Obligations are paid in full and, in each case, unless the Requisite Lenders otherwise consent in writing:

Section 6.1 Financial Statements

The Parent shall furnish to the Administrative Agent each of the following:

(a) [Reserved].

(b) *Quarterly Reports*. Within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, financial information regarding the Parent and its Subsidiaries consisting of Consolidated unaudited balance sheets as of the close of such quarter and the related statements of income and cash flow for such quarter and that portion of the Fiscal Year ending as of the close of such quarter, setting forth in comparative form the figures for the corresponding period in the prior year, in each case certified by a Responsible Officer of the Parent as fairly presenting in all material respects the Consolidated financial position of the Parent as at the dates indicated and the results of their operations and cash flow for the periods indicated in accordance with GAAP (subject to the absence of footnote disclosure and normal year-end audit adjustments).

(c) *Annual Reports*. Not later than the earlier of (x) 100 days after the end of each Fiscal Year and (y) 10 days after the Parent's or the Borrower's Annual Report on Form 10-K is filed with the Securities and Exchange Commission, financial information regarding the Parent consisting of Consolidated balance sheets of the Parent as of the end of such year and related statements of income and cash flows of the Parent for such Fiscal Year, all prepared in confor-

mity with GAAP and certified, in the case of such Consolidated Financial Statements, without qualification as to the scope of the audit or as to the Parent or the Borrower being a going concern by the Parent's and the Borrower's Accountants, together with the report of such accounting firm stating that (i) such Financial Statements fairly present in all material respects the Consolidated financial position of the Parent as at the dates indicated and the results of their operations and cash flow for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except for changes with which the Parent's and the Borrower's Accountants shall concur and that shall have been disclosed in the notes to the Financial Statements) and (ii) the examination by the Parent's and the Borrower's Accountants in connection with such Consolidated Financial Statements has been made in accordance with generally accepted auditing standards.

(d) *Compliance Certificate*. Within 10 days after delivery of any Financial Statements pursuant to *clause (b)* or *(c)* above but in any event no later than the last day for which Financial Statements must be delivered pursuant to *clause (b)* or *(c)* above, the Parent shall deliver a certificate of a Responsible Officer of the Parent in a form reasonably satisfactory to the Administrative Agent (a "*Compliance Certificate*") (i) showing in reasonable detail the calculations used in determining the Leverage Ratio (for purposes of determining the Applicable Margin) and demonstrating compliance with each of the financial covenants contained in *Article V (Financial Covenants)* that is tested on a quarterly basis, (ii) in the case of delivery of Financial Statements pursuant to *clause (c)* above, showing in reasonable detail the calculations used in determining Excess Cash Flow and demonstrating compliance with the financial covenant set forth in *Section 5.4 (Capital Expenditures)* and (iii) stating that no Default or Event of Default has occurred and is continuing or, if a Default or an Event of Default has occurred and is continuing, stating the nature thereof and the action that the Parent proposes to take with respect thereto.

(e) *Corporate Chart and Other Collateral Updates*. Within 10 days after delivery of any Financial Statements pursuant to *clause (b)* or *(c)* above but in any event no later than the last day for which Financial Statements must be delivered pursuant to *clause (b)* or *(c)* above, the Parent shall deliver (i) a certificate of a Responsible Officer of the Parent certifying that the Corporate Chart attached thereto (or the last Corporate Chart delivered pursuant to this *clause (e)*) is true, correct, complete and current as of the date of such Financial Statement and (ii) a certificate of a Responsible Officer of the Parent in form and substance satisfactory to the Administrative Agent that all certificates, statements, updates and other documents (including updated schedules) required to be delivered pursuant to the Pledge and Security Agreement by any Loan Party in the preceding Fiscal Quarter have been delivered thereunder (or such delivery requirement was otherwise duly waived or extended). The reporting requirements set forth in this *clause (e)* are in addition to, and are not intended to and shall not replace or otherwise modify, any obligation of any Loan Party under any Loan Document (including other notice or reporting requirements). Compliance with the reporting obligations in this *clause (e)* shall only provide notice to the Administrative Agent and shall not, by itself, modify any obligation of any Loan Party under any Loan Document, update any Schedule to this Agreement or any schedule to any other Loan Document or cure, or otherwise modify in any way, any failure to comply with any covenant, or any breach of any representation or warranty, contained in any Loan Document or any other Default or Event of Default.

(f) *Business Plan*. Not later than 30 days after the end of each Fiscal Year, and containing substantially the types of financial information contained in the Projections, (i) the annual business plan of the Parent and its Subsidiaries for the Fiscal Year next succeeding such Fiscal Year approved by the board of directors of the Parent and (ii) forecasts prepared by management of the Parent for each of the two Fiscal Years next succeeding such Fiscal Year (but in any event

not beyond the Fiscal Year in which the then Latest Maturity Date is scheduled to occur), including, in each instance described in *clauses (i)* and *(ii)* above, (x) a projected year-end Consolidated balance sheet and income statement and statement of cash flows and (y) a statement of all of the material assumptions on which such forecasts are based.

(g) *Management Letters, Etc*. Within five Business Days after receipt thereof by any Loan Party, copies of each management letter, exception report or similar letter or report received by such Loan Party from its independent certified public accountants (including the Borrower's Accountants).

(h) *Intercompany Loan Balances*. Together with each delivery of any Financial Statement pursuant to *clause (b)* above, a summary of the outstanding balance of all intercompany Indebtedness as of the last day of the fiscal month covered by such Financial Statement, certified by a Responsible Officer of the Parent.

Documents required to be delivered pursuant to *Section 6.1(b) or (c) (Financial Statements)* (to the extent any such documents are included in materials otherwise filed with the Securities and Exchange Commission) shall be deemed to be delivered on the date (i) on which the Parent posts such documents, or provides a link thereto on the Parent's website on the Internet at the website address listed on *Schedule II (Applicable Lending Offices and Addresses for Notices)*; or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); *provided* that the Borrower shall notify the Administrative Agent (by telecopier or electronic mail) of the posting of any such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders and the Issuers materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "*Borrower Materials*") by posting the Borrower Materials on IntraLinks or another similar electronic system (the "*Platform*") and (b) certain of the Lenders (each, a "*Public Lender*") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers, the Issuers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (*provided, however*, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in *Section 11.18 (Confidentiality)*); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information"; and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information."

Section 6.2 Default Notices

As soon as practicable, and in any event within five Business Days after a Responsible Officer of any Loan Party has actual knowledge of the existence of any Default, Event of Default or other event having had a Material Adverse Effect, the Parent shall give the Administrative Agent notice specifying the nature of such Default or Event of Default or other event, which notice, if given by telephone, shall be promptly confirmed in writing on the next Business Day.

Section 6.3 Litigation

Promptly after the commencement thereof, the Parent shall give the Administrative Agent written notice of the commencement of all actions, suits and proceedings before any domestic or foreign Governmental Authority or arbitrator affecting the Parent or any of its Subsidiaries that, in the reasonable judgment of the Borrower or the Parent, expose the Parent or any of its Subsidiaries to liability in an aggregate amount the Dollar Equivalent of which would equal or exceed $10,000,000 or that would have a Material Adverse Effect.

Section 6.4 Asset Sales

Prior to any Asset Sale whose Net Cash Proceeds (or the Dollar Equivalent thereof) are anticipated to exceed $15,000,000, the Parent shall send the Administrative Agent a notice (a) describing such Asset Sale or the nature and material terms and conditions of such transaction and (b) stating the estimated Net Cash Proceeds anticipated to be received by the Parent or any of its Subsidiaries.

Section 6.5 Notices under Related Documents

Promptly after the sending or filing thereof, the Parent shall send the Administrative Agent copies of all material notices, certificates or reports delivered pursuant to, or in connection with, any Senior Notes Document.

Section 6.6 **[Reserved.]**

Section 6.7 Labor Relations

Promptly after becoming aware of the same, the Parent shall give the Administrative Agent written notice of (a) any material labor dispute to which the Parent or any of its Subsidiaries is a party, including any strikes, lockouts or other material disputes relating to any of such Person's plants and other facilities, and (b) any Worker Adjustment and Retraining Notification Act or related liability incurred with respect to the closing of any plant or other facility of any such Person.

Section 6.8 Tax Returns

Upon the request of any Lender, through the Administrative Agent, the Parent shall provide copies of all federal, state, local and foreign tax returns and reports filed by the Parent or any of its Subsidiaries in respect of taxes measured by income (excluding sales, use and like taxes).

Section 6.9 Insurance

As soon as is practicable and in any event within 100 days after the end of each Fiscal Year, the Parent shall furnish the Administrative Agent with (a) a report in form and substance satisfactory to the Administrative Agent outlining all material insurance coverage maintained as of the date of

such report by the Parent or any of its Subsidiaries and the duration of such coverage and (b) an insurance broker's statement that all premiums then due and payable with respect to such coverage have been paid and confirming that, with respect to all such insurance coverage maintained by the Parent or any Loan Party, the Administrative Agent, on behalf of the Secured Parties, has been named as loss payee or additional insured, as applicable.

Section 6.10 ERISA Matters

The Parent shall furnish the Administrative Agent (with sufficient copies for each of the Lenders) each of the following:

(a) promptly and in any event within 30 days after the Parent, any of its Subsidiaries or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred, written notice describing such event;

(b) promptly and in any event within 10 days after the Parent, any of its Subsidiaries or any ERISA Affiliate knows or has reason to know that a request for a minimum funding waiver under Section 412 of the Code has been filed with respect to any Title IV Plan or Multiemployer Plan, a written statement of a Responsible Officer of the Parent describing such ERISA Event or waiver request and the action, if any, the Parent, its Subsidiaries and ERISA Affiliates propose to take with respect thereto and a copy of any notice filed with the PBGC or the IRS pertaining thereto; and

(c) simultaneously with the date that the Parent, any of its Subsidiaries or any ERISA Affiliate files a notice of intent to terminate any Title IV Plan, if such termination would require material additional contributions in order to be considered a standard termination within the meaning of Section 4041(b) of ERISA, a copy of each notice.

Section 6.11 Environmental Matters

The Parent shall provide the Administrative Agent promptly and in any event within 10 days after the Parent or any of its Subsidiaries learns of any of the following, written notice of each of the following:

(a) that any Loan Party or any Subsidiary of any Loan Party is or may be liable to any Person as a result of a Release or threatened Release that could reasonably be expected to subject such Loan Party or such Subsidiary to Environmental Liabilities and Costs whose Dollar Equivalent shall exceed $5,000,000;

(b) the receipt by any Loan Party or any Subsidiary of any Loan Party of notification that any real or personal property of such Loan Party or such Subsidiary is or is reasonably likely to be subject to any Environmental Lien;

(c) the receipt by any Loan Party or any Subsidiary of any Loan Party of any notice of violation of or potential liability under, or knowledge by such Loan Party or such Subsidiary that there exists a condition that could reasonably be expected to result in a violation of or liability under, any Environmental Law, except for violations and liabilities the consequence of which, in the aggregate, would not be reasonably likely to subject the Loan Parties and their Subsidiaries collectively to Environmental Liabilities and Costs whose Dollar Equivalent shall exceed $5,000,000;

(d) the commencement of any judicial or administrative proceeding or investigation alleging a violation of or liability under any Environmental Law, that, in the aggregate, if adversely determined, would have a reasonable likelihood of subjecting the Loan Parties and their Subsidiaries collectively to Environmental Liabilities and Costs whose Dollar Equivalent shall exceed $5,000,000;

(e) any proposed acquisition of stock, assets or real estate, any proposed leasing of property or any other action by any Loan Party or any of its Subsidiaries other than those the consequences of which, in the aggregate, have reasonable likelihood of subjecting the Loan Parties and their Subsidiaries collectively to Environmental Liabilities and Costs whose Dollar Equivalent shall exceed $5,000,000;

(f) any proposed action by any Loan Party or any of its Subsidiaries or any proposed change in Environmental Laws that, in the aggregate, have a reasonable likelihood of requiring the Loan Parties to obtain additional environmental, health or safety Permits or make additional capital improvements to obtain compliance with Environmental Laws that, in the aggregate, would have cost $5,000,000 or more or that shall subject the Loan Parties and their Subsidiaries to additional Environmental Liabilities and Costs whose Dollar Equivalent shall exceed $5,000,000; and

(g) upon written request by any Lender through the Administrative Agent, a report providing an update of the status of any environmental, health or safety compliance, hazard or liability issue identified in any notice or report delivered pursuant to this Agreement.

Section 6.12 Material Contracts

Promptly after any Responsible Officer becoming aware of the same, the Parent shall give the Administrative Agent prior to the Closing Date written notice of any cancellation, termination, loss of, or material adverse change to, any material Contractual Obligation (including any Intellectual Property license agreement, manufacturing agreement or other customer arrangement).

Section 6.13 Other Information

Each of the Parent and the Borrower shall provide the Administrative Agent or any Lender with such other information respecting the business, properties, condition, financial or otherwise, or operations of the Parent, any Subsidiary of the Parent or any Joint Venture of any of them as the Administrative Agent or such Lender through the Administrative Agent may from time to time reasonably request.

ARTICLE VII

Affirmative Covenants

Each of the Parent and the Borrower agrees with the Lenders, the Issuers and the Administrative Agent to each of the following, until all Secured Obligations are paid in full and, in each case, unless the Requisite Lenders otherwise consent in writing:

Section 7.1 Preservation of Corporate Existence, Etc.

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, preserve and maintain its legal existence, except as permitted by *Section 8.4 (Sale of Assets)* and *8.7 (Restriction on Fundamental Changes; Permitted Acquisitions)*.

Section 7.2 Compliance with Laws, Etc.

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, comply with all applicable Requirements of Law, Contractual Obligations and Permits, except where the failure so to comply would not, in the aggregate, have a Material Adverse Effect.

Section 7.3 Conduct of Business

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, (a) conduct its business in the ordinary course and (b) use its reasonable efforts, in the ordinary course, to preserve its business and the goodwill and business of the customers, advertisers, suppliers and others having business relations with the Parent or any of its Subsidiaries, except in each case where the failure to comply with the covenants in each of *clauses (a)* and *(b)* above would not, in the aggregate, have a Material Adverse Effect.

Section 7.4 Payment of Taxes, Etc.

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, timely pay and discharge, all lawful material governmental claims and all material federal, state, local and foreign income, franchise and other Taxes, except where contested in good faith, by proper proceedings and adequate reserves therefor have been established on the books of the Parent, the Borrower or the appropriate Subsidiary in conformity with GAAP. Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, timely file all material federal, state, local and foreign income, franchise and other Tax Returns required to be filed.

Section 7.5 Maintenance of Insurance

Each of the Parent and the Borrower shall (a) maintain for, itself, and each of the Parent and the Borrower shall cause to be maintained for each of their respective Subsidiaries, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks that, as determined in the good faith judgment of a Responsible Officer of Parent to be sufficient, appropriate and prudent in the conduct of the business of the kind conducted by Parent and its Subsidiaries, and, in any event, all insurance required by any Collateral Documents and (b) cause all such insurance relating to the Parent or any Loan Party to name the Administrative Agent, on behalf of the Secured Parties, as additional insured or loss payee, as appropriate, and to provide that no cancellation or material change in coverage shall be effective until after 10 days' written notice thereof to the Administrative Agent.

If any portion of any Real Property that is subject to a Mortgage is at any time located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a Special Flood Hazard Area with respect to which flood insurance has been made available under the National Flood Insurance Act of 1968 (as now or hereafter in effect or successor act thereto), then the Borrower shall, or shall cause each Loan Party to, (i) maintain, or cause to be maintained, with a financially sound and reputable insurer, flood insurance in an amount and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to the Flood Insurance Laws and (ii) deliver to the Adminis-

trative Agent evidence of such compliance in form and substance reasonably acceptable to the Administrative Agent.

Section 7.6 Access

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, from time to time (but, if no Default or Event of Default shall have occurred and be continuing, not more often than once per Fiscal Year at the Borrower's expense) permit the Administrative Agent, or any agents or representatives thereof, within two Business Days after written notification of the same (except that during the continuance of an Event of Default, no such notice shall be required) to, during the normal business hours of the Parent, the Borrower or such Subsidiary, as applicable, (a) examine and make copies of and abstracts from the records and books of account of the Parent and each Subsidiary of the Parent, (b) visit the properties of the Parent and each of its Subsidiaries, (c) discuss the affairs, finances and accounts of the Parent and each of its Subsidiaries with any of their respective officers or directors, as long as the Borrower is offered an opportunity to be present during such discussions, and (d) communicate directly with any of its certified public accountants (including the Borrower's Accountants). Each of the Parent and the Borrower shall authorize its certified public accountants (including the Borrower's Accountants), and shall use its commercially reasonable efforts to cause the certified public accountants of any of their respective Subsidiaries, if any, to disclose to the Administrative Agent any and all financial statements and other information as the Administrative Agent reasonably requests and that such accountants may have with respect to the business, financial condition, results of operations or other affairs of the Parent or its Subsidiaries.

Section 7.7 Keeping of Books

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, keep, proper books of record and account, in which full and correct entries shall be made in conformity with GAAP of all financial transactions and the assets and business of the Parent, the Borrower and each such Subsidiary.

Section 7.8 Maintenance of Properties, Etc.

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, maintain and preserve (a) in good working order and condition all of its material properties necessary in the conduct of its business, (b) all rights, permits, licenses, approvals and privileges (including all Permits) used or useful or necessary in the conduct of its business and (c) all licenses, permits, patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights and copyright applications, Internet domain names, franchises, authorizations and other intellectual property rights (including all Intellectual Property) that are necessary for the operations of their respective businesses, except where failure to so maintain and preserve the items set forth in *clauses (a)*, *(b)* and *(c)* above would not, in the aggregate, have a Material Adverse Effect.

Section 7.9 Use of Proceeds

The Borrower (and, to the extent distributed to them by the Borrower, each Loan Party) shall use the entire amount of the proceeds of the Loans as provided in *Section 4.13 (Use of Proceeds)*.

Section 7.10 Environmental

Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, comply in all material respects with Environmental Laws and, without limiting the foregoing,

the Borrower shall, at its sole cost and expense, upon receipt of any notification or otherwise obtaining knowledge of any Release or other event that has any reasonable likelihood of any of the Parent or any of its Subsidiaries incurring Environmental Liabilities and Costs whose Dollar Equivalent shall exceed $2,500,000 in the aggregate, (a) conduct, or pay for consultants to conduct, tests or assessments of environmental conditions at such operations or properties, including the investigation and testing of subsurface conditions and (b) take such Remedial Action and undertake such investigation or other action as required by Environmental Laws or as any Governmental Authority requires or as is appropriate and consistent with good business practice to address the Release or event and otherwise ensure compliance with Environmental Laws.

Section 7.11 Additional Collateral and Guaranties

To the extent not delivered to the Administrative Agent on or before the Closing Date (including in respect of after-acquired property and Persons that become Subsidiaries of any Loan Party after the Closing Date), each of the Parent and the Borrower agrees promptly (and in any event within 30 days of acquisition or formation of such new Subsidiary or such later date agreed to by the Administrative Agent) to do, or to cause each of their respective Subsidiaries to do, each of the following, unless otherwise agreed by the Administrative Agent:

(a) deliver to the Administrative Agent such duly executed supplements and amendments to the Guaranty (or, in the case of any Subsidiary of any Loan Party that is not a Domestic Subsidiary or that holds shares in any Person that is not a Domestic Subsidiary, foreign guarantees and related documents), in each case in form and substance reasonably satisfactory to the Administrative Agent and as the Administrative Agent deems necessary or advisable in order to ensure that each Subsidiary of each Loan Party (and each other Person having entered into Guaranty Obligations or otherwise became liable in respect of any Subordinated Debt) guaranties, as primary obligor and not as surety, the full and punctual payment when due of the Obligations or any part thereof; *provided*, *however*, in no event shall any Excluded Foreign Subsidiary be required to guaranty the payment of the Obligations unless the Parent and the Administrative Agent otherwise agree;

(b) deliver to the Administrative Agent such duly-executed joinder and amendments to the Pledge and Security Agreement and, if applicable, other Collateral Documents (or, in the case of any such Subsidiary of any Loan Party that is not a Domestic Subsidiary or that holds shares in any Person that is not a Domestic Subsidiary, foreign charges, pledges, security agreements and other Collateral Documents), in each case in form and substance reasonably satisfactory to the Administrative Agent and as the Administrative Agent deems necessary or advisable in order to (i) effectively grant the Requisite Priority Liens in the Stock and Stock Equivalents and other debt Securities owned by any Loan Party, any Subsidiary of any Loan Party or any other Person having entered into Guaranty Obligations or otherwise became liable in respect of any Subordinated Debt and (ii) effectively grant the Requisite Priority Liens in all property interests and other assets of any Loan Party, any Subsidiary of any Loan Party or any Subsidiary of the Borrower or the Parent having entered into Guaranty Obligations or otherwise became liable in respect of any Subordinated Debt or any other Person planning to enter, having entered or having agreed to enter into any such Guaranty Obligations or liability; *provided*, *however*, in no event shall (x) any Loan Party or any of its Subsidiaries, individually or collectively, be required to pledge in excess of 65% of the outstanding Voting Stock of any Excluded Foreign Subsidiary unless the Parent and the Administrative Agent otherwise agree or (y) any assets of any Excluded Foreign Subsidiary be required to be pledged, unless the Parent and the Administrative Agent otherwise agree;

(c) deliver to the Administrative Agent all certificates, instruments and other documents representing all Pledged Stock, Pledged Debt Instruments and all other Stock, Stock Equivalents and other debt Securities being pledged pursuant to the joinders, amendments and foreign agreements executed pursuant to *clause (b)* above, together with (i) in the case of certificated Pledged Stock and other certificated Stock and Stock Equivalents, undated stock powers endorsed in blank and (ii) in the case of Pledged Debt Instruments and other certificated debt Securities, endorsed in blank, in each case executed and delivered by a Responsible Officer of such Loan Party or such Subsidiary thereof, as the case may be;

(d) to take such other actions necessary or advisable to ensure the validity or continuing validity of the guaranties required to be given pursuant to *clause (a)* above and to create, maintain and perfect the security interest required to be granted pursuant to *clause (b)* above, including the filing of UCC financing statements in such jurisdictions as may be required by the Collateral Documents or by law or as may be reasonably requested by the Administrative Agent;

(e) if requested by the Administrative Agent, deliver to the Administrative Agent legal opinions relating to the matters described above, which opinions shall be in form and substance, and from counsel, reasonably satisfactory to the Administrative Agent.

Section 7.12 Control Accounts; Approved Deposit Accounts

(a) Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries, with the exception of any Excluded Foreign Subsidiary, to (i) deposit in an Approved Deposit Account all cash they receive, (ii) not establish or maintain any Securities Account that is not a Control Account and (iii) not establish or maintain any Deposit Account other than an Approved Deposit Account; *provided*, *however*, that each of the Parent and the Borrower and each of their respective Subsidiaries may (x) deposit cash in and maintain payroll, withholding tax and flexible spending or other fiduciary accounts, in each case that are not Approved Deposit Accounts and (y) deposit cash in and maintain other accounts that are not Approved Deposit Accounts as long as the Dollar Equivalent of the aggregate balance in all such accounts does not exceed $5,000,000 at any time.

(b) The Administrative Agent may establish one or more Cash Collateral Accounts with such depositaries and securities intermediaries as it in its sole discretion shall determine; *provided*, *however*, that no Cash Collateral Account shall be established with respect to the assets of any Excluded Foreign Subsidiary. Without limiting the foregoing, funds on deposit in any Cash Collateral Account may be invested (but the Administrative Agent shall be under no obligation to make any such investment) in Cash Equivalents at the direction of the Administrative Agent and, except during the continuance of an Event of Default, the Administrative Agent agrees with the Parent to issue Entitlement Orders for such investments in Cash Equivalents as requested by the Parent; *provided*, *however*, that the Administrative Agent shall not have any responsibility for, or bear any risk of loss of, any such investment or income thereon. None of the Parent, the Borrower, any of their respective Subsidiaries or any other Loan Party or Person claiming on behalf of or through the Parent, the Borrower, any of their respective Subsidiaries or any other Loan Party shall have any right to demand payment of any funds held in any Cash Collateral Account at any time prior to the termination of all outstanding Letters of Credit and the payment in full of all then outstanding and payable monetary Obligations.

Section 7.13 Real Property

(a) Each of the Parent and the Borrower shall, and shall cause each of their respective Subsidiaries to, (i) comply in all material respects with all of their respective obligations under all of their respective material Leases now or hereafter held respectively by them, including the Leases set forth

on *Schedule 4.19 (Real Property)* (to the extent such Lease is indicated thereon to be material), (ii) not modify, amend, cancel, extend or otherwise change in any materially adverse manner any term, covenant or condition of any such Lease, (iii) not assign or sublet any other Lease if such assignment or sublet would have a Material Adverse Effect and (iv) provide the Administrative Agent with a copy of each notice of default under any material Lease received by the Parent, the Borrower or any of their respective Subsidiaries promptly upon receipt thereof and deliver to the Administrative Agent a copy of each notice of default sent by the Parent, the Borrower or any of their respective Subsidiaries under any material Lease simultaneously with its delivery of such notice under such Lease.

(b) At least 15 Business Days prior to (i) entering into any Lease (other than a renewal of an existing Lease) or, if earlier, entering into possession of any leased premise, in each case for the principal place of business and chief executive office of the Parent, the Borrower or any other Guarantor or any other Lease (including any renewal) in which the Dollar Equivalent of the annual rental payments are anticipated to equal or exceed $1,000,000 or (ii) acquiring any material owned Real Property, the Parent shall, and each of the Parent and the Borrower shall cause each Guarantor to, provide the Administrative Agent written notice thereof.

(c) To the extent requested by the Administrative Agent, not previously delivered to the Administrative Agent and not prohibited pursuant to the Contractual Obligation granting a Lien permitted hereunder on such Real Property or Lease, upon written request of the Administrative Agent, each of the Parent and the Borrower shall, and shall cause each other Loan Party to, execute and deliver to the Administrative Agent, for the benefit of the Secured Parties, promptly and in any event not later than 45 days after receipt of such notice (or, if such notice is given by the Administrative Agent prior to the acquisition of such Real Property or Lease, immediately upon such acquisition), a Mortgage on any owned Real Property or Lease of such Loan Party, together with (i) if requested by the Administrative Agent and such Real Property is located in the United States or is a Lease of Real Property located in the United States, all Mortgage Supporting Documents relating thereto or (ii) otherwise, documents similar to Mortgage Supporting Documents deemed by the Administrative Agent to be appropriate in the applicable jurisdiction to obtain the equivalent in such jurisdiction of mortgages on such Real Property or Lease constituting the Requisite Priority Liens; *provided*, *however*, that the Parent and the Borrower shall not have to deliver any Mortgage to the Administrative Agent on any (x) owned Real Property unless the Fair Market Value of such Real Property exceeds $1,500,000, (y) Lease with respect to office space to the extent such Lease is in effect on the date hereof (and reviewed by the Administrative Agent prior to the date hereof), together with all replacements for such Lease on terms and conditions (including financial terms) not materially worse for the Borrower, or (z) Lease in which the annual rental payments are anticipated to be less than $2,000,000.

Section 7.14 Post-Closing Deliveries

On or prior to the Existing Senior Subordinated Notes Redemption Date, the Borrower shall deposit, or shall cause to be deposited, the redemption price for the Existing Senior Subordinated Notes not tendered in the Tender Offer with the Existing Senior Subordinated Notes Trustee and cause the indenture for the Existing Senior Subordinated Notes to be discharged.

ARTICLE VIII

NEGATIVE COVENANTS

Each of the Borrower and the Parent agrees with the Lenders, the Issuers and the Administrative Agent to each of the following, until all Secured Obligations are paid in full and, in each case, unless the Requisite Lenders otherwise consent in writing:

Section 8.1 Indebtedness

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, directly or indirectly create, incur, assume or otherwise become or remain directly or indirectly liable with respect to any Indebtedness except for the following:

(a) the Secured Obligations (other than in respect of Hedging Contracts not permitted to be incurred pursuant to *clause (i)* below) and Guaranty Obligations in respect thereto;

(b) (i) until the date on which the Existing Subordinated Notes are required to be discharged pursuant to *Section 7.14 (Post-Closing Deliveries)*, the Existing Senior Subordinated Notes and (ii) other Indebtedness existing on the date of this Agreement and disclosed on *Schedule 8.1 (Existing Indebtedness)*;

(c) Guaranty Obligations incurred (i) by the Borrower or any Guarantor in respect of Indebtedness of the Borrower or any Guarantor that is otherwise permitted by this *Section 8.1* (other than *clause (a)* above and *clause (j)* below) or (ii) in respect of Indebtedness of any Permitted Joint Venture or any Subsidiary of the Parent that is not the Borrower or a Subsidiary Guarantor, to the extent such Guaranty Obligation, together with all other such Guaranty Obligations and all other Investments permitted thereunder, is permitted as an Investment pursuant to *Section 8.3(h)(iii) (Investments)*;

(d) Capital Lease Obligations and purchase money Indebtedness incurred to finance the acquisition or improvement (together with, in each case, related costs) of fixed assets; *provided*, *however*, that (i) the Capital Expenditure related thereto is otherwise permitted by *Section 5.4 (Capital Expenditures)* and (ii) the Dollar Equivalent of the aggregate outstanding principal amount of all such Capital Lease Obligations and purchase money Indebtedness (including renewals, extensions, refinancings and refundings of any such Capital Lease Obligations or purchase money Indebtedness permitted pursuant to *clause (e)* below) shall not exceed $25,000,000 at any time;

(e) renewals, extensions, refinancings and refundings of Indebtedness permitted by *clause (b)* (other than the Existing Senior Subordinated Notes and intercompany loans set forth on *Schedule 8.1 (Existing Indebtedness)*) or *(d)* above or this *clause (e)*; *provided*, *however*, that any such renewal, extension, refinancing or refunding is in an aggregate principal amount not greater than the principal amount of, and is on terms taken as a whole not materially less favorable to the Parent or any of its Subsidiaries obligated thereunder than the Indebtedness being renewed, extended, refinanced or refunded;

(f) a sale and leaseback transaction permitted pursuant to *Section 8.16 (Sale and Leaseback Transactions)*, to the extent such transaction would constitute Indebtedness;

(g) Indebtedness arising from intercompany loans (i) from the Borrower to any Subsidiary Guarantor, (ii) from any Subsidiary Guarantor to the Borrower or any Subsidiary Guarantor, (iii) from the Borrower or any Subsidiary Guarantor to any Subsidiary of the Parent that is a Non-Guarantor; *provided*, *however*, that, in the case of this *clause (iii)*, the Investment by such Borrower or Subsidiary Guarantor in such intercompany loan to such Subsidiary is permitted under *Section 8.3 (Investments)* or (iv) from any Subsidiary of the Parent to the Parent;

(h) Indebtedness arising under any performance or surety bond entered into in the ordinary course of business;

(i) Obligations under Hedging Contracts permitted under *Section 8.17 (No Speculative Transactions)*;

(j) Indebtedness (but not Guaranty Obligations thereof) owing to the issuer of any insurance policy by the Person purchasing such policy for the benefit of the Parent and its Subsidiaries for the purpose of financing the purchase of such policy by the Parent or any of its Subsidiaries, in an aggregate outstanding principal amount not to exceed the premiums owed under such policy;

(k) (i) Indebtedness of the Borrower owing under the Senior Notes in an aggregate principal amount which does not exceed $150,000,000 at any time, (ii) Additional Permitted Debt (*provided* that at the time of the incurrence of such Indebtedness the Borrower is in compliance with *Article V (Financial Covenants)* on a *pro forma* basis after giving effect to the incurrence of such Additional Permitted Debt (recomputed as of the last day of the most recently ended Fiscal Quarter for which Financial Statements have been delivered pursuant to *Section 6.1(b)* or *(c)* (*Financial Statements*))) and (iii) any refinancings (including by legal defeasance), refundings, renewals or extensions of such Indebtedness pursuant to *clauses (i)* and *(ii)*; *provided* that with respect to such Indebtedness (w) the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium paid, and fees and expenses reasonably incurred, in connection with such refinancing, (x) such Indebtedness bears interest and provides for the payment of fees on terms and conditions not significantly less favorable to any Loan Party from those offered to similarly situated borrowers in the marketplace for similar facilities, (y) such Indebtedness has a maturity not earlier and an average life to maturity not less than that of the Senior Notes (calculated at the time of incurrence of such Indebtedness) and (z) such Indebtedness is otherwise on terms and conditions that, taken as a whole, are materially not less favorable to the Loan Parties and the interests of the Administrative Agent, the Syndication Agent or any of the Lenders, Issuers or other Secured Parties under the Loan Documents than those of the Senior Notes and the Senior Notes Documents.

(l) Indebtedness assumed in connection with any Permitted Acquisition or owing by a Person that becomes a Subsidiary of the Parent in any Permitted Acquisition (and existing prior thereto), together with renewals, extensions, refinancings and refundings thereof, in an aggregate outstanding principal amount the Dollar Equivalent of which does not exceed $30,000,000 at any time; *provided*, *however*, that such Indebtedness (i) exists at the time of such Permitted Acquisition at least in the amounts assumed in connection therewith and (ii) is not drawn down, created or increased in contemplation of or in connection with such Permitted Acquisition or on or after the consummation thereof and does not provide any credit support therefor; and *provided*, *further*, that any renewal, extension, refinancing or refunding thereof is in an aggregate principal amount not greater than the principal amount of, and is on terms taken as a whole not materially less favorable to the Parent, the Borrower or any of their respective Subsidiaries obligated thereunder than the Indebtedness being renewed, extended, refinanced or refunded;

(m) unsecured Indebtedness (other than any loans or advances that would be in violation of Section 402 of the Sarbanes-Oxley Act) owing to any then existing or former director, officer or employee of Parent or any of its Subsidiaries or their respective assigns, estates, heirs or their current or former spouses for the repurchase, redemption or other acquisition or retirement for value of any of the Stock or Stock Equivalents of the Parent held by them; *provided*, *however*, that such Indebtedness shall provide that no cash payment (whether through optional prepayments, mandatory prepayments, scheduled repayments, acceleration or otherwise) shall be made

thereunder to the extent the Available Employee Basket is (or would be after such payment) less than zero;

(n) unsecured Indebtedness owing to any seller as payment of the purchase price of a Permitted Acquisition on terms and conditions satisfactory to the Administrative Agent (including subordination provisions satisfactory to the Administrative Agent and which has a maturity date and prohibits any cash payment (other than, subject to appropriate subordination provisions, regularly scheduled interest payments) earlier than the first anniversary of the then Latest Maturity Date);

(o) contingent indemnification obligations to financial institutions, in each case to the extent in the ordinary course of business and on terms and conditions which are within the general parameters customary in the banking industry, entered into to obtain cash management services or deposit account overdraft protection services (in amount similar to those offered for comparable services in the financial industry) or other services in connection with the management or opening of deposit accounts or incurred as a result of endorsement of negotiable instruments for deposit or collection purposes and other customary, contingent loss indemnification obligations of Parent and its Subsidiaries incurred in the ordinary course of business;

(p) contingent liabilities in respect of any purchase price adjustment, earn-out provision or any non-competition or consulting agreement or deferred compensation agreement, in each case owing to the seller in connection with any Permitted Acquisition;

(q) Indebtedness of Subsidiaries of Parent that are Non-Guarantors (not owing to any Loan Party or any Subsidiary of any Loan Party) for working capital purposes in an aggregate outstanding principal amount the Dollar Equivalent of which does not exceed $10,000,000 at any time;

(r) [Reserved];

(s) Indebtedness not otherwise permitted under this *Section 8.1* having an aggregate outstanding principal amount whose Dollar Equivalent shall not exceed $50,000,000 at any time; and

(t) accretion or amortization of original issue discount and accretion of interest paid in kind, in each case in respect of Indebtedness otherwise permitted under this *Section 8.1*.

Section 8.2 Liens, Etc.

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, create or suffer to exist, any Lien upon or with respect to any of their respective properties or assets, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income, except for the following:

(a) Liens created pursuant to the Loan Documents;

(b) Liens existing on the date of this Agreement and disclosed on *Schedule 8.2 (Existing Liens)*;

(c) Customary Permitted Liens on the assets of the Parent and its Subsidiaries;

(d) purchase money Liens granted by any Subsidiary of Parent (including the interest of a lessor under a Capital Lease and purchase money Liens to which any property is subject at the time, on or after the date hereof, of such Subsidiary's acquisition thereof) securing Indebtedness permitted under *Section 8.1(d) (Indebtedness)* and limited in each case to the property purchased with the proceeds of such purchase money Indebtedness or subject to such Capital Lease;

(e) any Lien granted by any Subsidiary of Parent and securing the renewal, extension, refinancing or refunding of any Indebtedness secured by any Lien permitted by *clause (b)* or *(d)* above or this *clause (e)* without any change in the assets subject to such Lien and to the extent such renewal, extension, refinancing or refunding is permitted by *Section 8.1(e) (Indebtedness)*;

(f) Liens in favor of lessors, sublessors, lessees or sublessees securing operating leases or, to the extent such transactions create a Lien hereunder, sale and leaseback transactions, to the extent such sale and leaseback transactions are permitted hereunder;

(g) any Lien securing Indebtedness permitted pursuant to *Section 8.1(l) (Indebtedness)*; *provided*, *however*, that (i) such Lien exists at the time of the Permitted Acquisition relating to such Indebtedness and is not created in contemplation of or in connection with such Permitted Acquisition and (ii) such Lien secures solely fixed or capital assets acquired (or fixed or capital assets of Persons acquired) as part of such Permitted Acquisition, and no assets constituting Collateral immediately prior to such Permitted Acquisition are subject to such Lien;

(h) Liens on an insurance policy of the Parent and its Subsidiaries and the identifiable cash proceeds thereof in favor of the issuer of such policy and securing Indebtedness incurred for the purpose of financing such policy and permitted under *Section 8.1(j) (Indebtedness)*;

(i) Liens for the benefit of the seller deemed to attach solely because of the existence of cash deposits and attaching solely to cash deposits made in connection with any letter of intent or acquisition agreement with respect to a Permitted Acquisition;

(j) Liens on any of the assets of a Subsidiary of the Parent that is a Non-Guarantor to secure Indebtedness of such Subsidiary permitted pursuant to *Section 8.1(q) (Indebtedness)*;

(k) licenses and sublicenses in the ordinary course of business of Intellectual Property (i) registered outside of the United States or (ii) having an aggregate Fair Market Value the Dollar Equivalent of which does not exceed $20,000,000; and

(l) Liens not otherwise permitted by the foregoing clauses of this *Section 8.2* securing obligations or other liabilities of any Loan Party; *provided*, *however*, that the Dollar Equivalent of the aggregate outstanding amount of all such obligations and liabilities shall not exceed $10,000,000 at any time.

Section 8.3 Investments

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, make or maintain, directly or indirectly, any Investment except for the following:

(a) Investments existing on the date of this Agreement and disclosed on *Schedule 8.3 (Existing Investments)*;

(b) Investments in cash (including cash held in bank deposit accounts) and Cash Equivalents in the ordinary course of business; *provided*, *however*, that the Dollar Equivalent of Investments of Foreign Non-Guarantors in Cash Equivalents in which Loan Parties would not be permitted to make Investments pursuant to this *clause (b)* shall not exceed $15,000,000;

(c) Investments in payment intangibles, chattel paper (each as defined in the UCC) and accounts, notes receivable, prepaid accounts and similar items arising or acquired in the ordinary course of business;

(d) Investments received in settlement of amounts due to Parent or any of its Subsidiaries effected in the ordinary course of business;

(e) cash deposits permitted pursuant to *clause (c)* or *(f)* of the definition of "Customary Permitted Liens" or pursuant to *Section 8.2(i)* or *(l) (Liens, Etc.)*;

(f) Investments consisting of Securities of account debtors received by Parent or any of its Subsidiaries in any bankruptcy, insolvency or reorganization proceedings of such account debtors;

(g) (i) Investments consisting of Permitted Acquisitions and any Foreign IP Transfer; *provided*, *however*, that this *clause (g)* shall not permit Investments to be made after the consummation of such Permitted Acquisition or such Foreign IP Transfer if such Investments are not otherwise permitted under this *Section 8.3*, and (ii) Investments consisting of mergers, liquidations and dissolutions permitted pursuant to *clause (y)* or *(z)* of *Section 8.7 (Restriction on Fundamental Changes; Permitted Acquisitions)*;

(h) Investments by (i) the Borrower or any Guarantor in the Borrower or any Guarantor, (ii) any Subsidiary of the Parent that is a Non-Guarantor in any other Subsidiary of Parent or (iii) the Borrower or any Guarantor in any Subsidiary of the Parent or any Permitted Joint Venture, in each case that is a Non-Guarantor; *provided*, *however*, that Investments (including any Guaranty Obligations permitted pursuant to *Section 8.1(c)(ii) (Indebtedness)* and loans permitted pursuant to *Section 8.1(g)(iii) (Indebtedness)* shall be permitted pursuant to this *clause (iii)* only to the extent that, after giving effect to such Investment (and any Investment or Asset Sale to be made to any Non-Guarantor on or prior to the date of such Investment), the Dollar Equivalent of the Non-Guarantor Investment Amount shall not exceed $15,000,000 at any time; *provided*, *further*, that any loan or advance after the Closing Date by a Loan Party to a Subsidiary of the Parent that is not a Loan Party or to any Permitted Joint Venture, or any loan or advance after the Closing Date by any Subsidiary of Parent that is not a Loan Party or by any Permitted Joint Venture to a Loan Party, shall, in each case, be evidenced by an intercompany note in the form of *Exhibit E (Form of Intercompany Notes)* and, in the case of a loan or advance by a Loan Party, pledged by such Loan Party as Collateral pursuant to the Collateral Documents;

(i) [Reserved];

(j) loans or advances to employees of the Parent or any of its Subsidiaries in the ordinary course of business as presently conducted other than any loans or advances that would be in violation of Section 402 of the Sarbanes-Oxley Act; *provided*, *however*, that the Dollar Equivalent of the aggregate principal amount of all loans and advances permitted pursuant to this *clause (j)* shall not exceed $2,000,000 at any time;

(k) loans and advances to any existing director, officer or employee of Parent or any of its Subsidiaries (other than any loans or advances that would be in violation of Section 402 of the Sarbanes-Oxley Act) the proceeds of which shall be used for the sole purpose of acquisition by such director, officer or employee of any of the Stock or Stock Equivalents of the Parent; *provided*, *however*, that the Dollar Equivalent of the aggregate principal amount of all loans and advances permitted pursuant to this *clause (k)* shall not exceed $5,000,000 at any time;

(l) Guaranty Obligations permitted by *Section 8.1 (Indebtedness)*;

(m) Investments (other than in Proposed Acquisitions) made with the Net Cash Proceeds of an Equity Issuance (but only to the extent of that portion of the Net Cash Proceeds of which have not previously been (and are not simultaneously being) applied to make Capital Expenditures within the meaning of clause (b) of the definition of "Unfinanced Capital Expenditures", to make Restricted Payments pursuant to *Section 8.5(c)(iii) (Restricted Payments)* or to make other Investments pursuant to this *Section 8.3(m)*) identified in an Equity Issuance Notice as being invested pursuant to this *clause (m)* in (i) Joint Ventures that are Permitted Joint Ventures or (ii) in any other assets (other than Stock or Stock Equivalents of Subsidiaries or interests in Joint Ventures); *provided* that such Investment is made within 270 days of such Equity Issuance and no Event of Default shall be continuing at the time of such Investment; and

(n) Investments not otherwise permitted hereby; *provided*, *however*, that the Dollar Equivalent of the aggregate outstanding amount of all such Investments shall not exceed $25,000,000 at any time; and

(o) Investment (other than in a Permitted Acquisition) of (i) the excess of the Net Cash Proceeds from any Asset Sale (other than to the Parent or any of its Subsidiaries) of any Investment made pursuant to *clause (h)*, *(m)* or *(n)* above over the amount of such Investment (as determined in accordance with the definition of "Investment" set forth herein) at the time of such Asset Sale or (ii) the Net Cash Proceeds of any Asset Sale of any Investment made pursuant to this *clause (o)*.

Section 8.4 Sale of Assets

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, sell, convey, transfer, lease or otherwise dispose of, any of their respective assets or any interest therein (including the sale or factoring at maturity or collection of any accounts) to any Person, or permit or suffer any other Person to acquire any interest in any of their respective assets or, except in the case of the Parent, issue or sell any shares of their Stock or any Stock Equivalents (any such disposition being an "*Asset Sale*"), except for the following:

(a) the liquidation, sale or disposition of cash, Cash Equivalents or inventory, in each case in the ordinary course of business;

(b) the sale or disposition of Equipment that has become surplus, worn-out, obsolete, is replaced in the ordinary course of business or is no longer used or useful in the business;

(c) the discount or write-off of accounts receivable overdue by more than 90 days or the sale of any such account receivables for the purpose of collection to any collection agency, in each case in the ordinary course of business;

(d) (i) licenses and sublicenses in the ordinary course of business of Intellectual Property (A) registered outside of the United States or (B) having an aggregate Fair Market Value whose Dollar Equivalent does not exceed $20,000,000 during the term of this Agreement or (ii) any Foreign IP Transfer;

(e) the cancellation of any Indebtedness permitted to be cancelled under *Section 8.6(a) (Prepayment and Cancellation of Indebtedness)*;

(f) the issuance of Nominal Shares;

(g) (i) a true lease or sublease of any property not constituting Indebtedness and not constituting a sale and leaseback transaction and (ii) a sale of assets pursuant to a sale and leaseback transaction, in each case as permitted under *Section 8.16 (Sale and Leaseback Transactions)*;

(h) (i) any Asset Sale to the Borrower or any Guarantor as long as the consideration given by the Loan Parties to any Non-Guarantor does not exceed the Fair Market Value of the assets transferred to any Loan Parties, (ii) any Asset Sale to any Non-Guarantor to the extent, after giving effect to such Asset Sale (and any other Asset Sale or Investment in Non-Guarantors to be made on or prior to the date of such Asset Sale), the Dollar Equivalent of the Non-Guarantor Investment Amount does not exceed $20,000,000 and (iii) any Asset Sale by any Non-Guarantor to any Non-Guarantor;

(i) (A) the liquidation or merger of any Subsidiary of the Parent, to the extent such liquidation or merger is permitted pursuant to *clause (x)* of *Section 8.7 (Restriction on Fundamental Changes; Permitted Acquisitions)* and (B)(x) any disposition of the Stock or Stock Equivalents or other interests in any Permitted Joint Venture for not less than Fair Market Value and all of the consideration for which is payable in cash or (y) any pro rata disposition of the assets of a Permitted Joint Venture to investors, participants or holders of Stock and Stock Equivalents in such Permitted Joint Venture in connection with the dissolution or termination of such Permitted Joint Venture, pursuant to and in accordance with the Contractual Obligations relating to such Permitted Joint Venture; *provided*, *however*, that, with respect to any such Asset Sale pursuant to this *clause (i)(B)(x)*, the Dollar Equivalent of the aggregate consideration received by Parent or any of its Subsidiaries during any Fiscal Year for all such Asset Sales shall not exceed $25,000,000; and *provided*, *further*, that, with respect to any such Asset Sale pursuant to this *clause (i)(B)*, an amount equal to all Net Cash Proceeds of such Asset Sale are applied to the payment of the Obligations as set forth in, and to the extent required by, *Section 2.9 (Mandatory Prepayments)*;

(j) as long as no Default or Event of Default is continuing or would result therefrom, any Asset Sale for not less than Fair Market Value, all of the consideration for which shall be payable in cash upon such sale, within 360 days of the consummation of a Permitted Acquisition, of non-core assets acquired as part of such Permitted Acquisition and subject to a Permitted Acquisition Notice with respect to such Permitted Acquisition; *provided*, *however*, that, with respect to any such Asset Sale permitted pursuant to this *clause (j)*, an amount equal to all Net Cash Proceeds of such Asset Sale are applied to the payment of the Obligations as set forth in, and to the extent required by, *Section 2.9 (Mandatory Prepayments)*; and

(k) as long as no Default or Event of Default is continuing or would result therefrom, any other Asset Sale for not less than Fair Market Value, 75% of the consideration for which shall be payable in cash upon such sale; *provided*, *however*, that with respect to any such Asset Sale

pursuant to this *clause (k)*, the Dollar Equivalent of the aggregate consideration received during any Fiscal Year for all such Asset Sales shall not exceed $50,000,000 and (ii) an amount equal to all Net Cash Proceeds of such Asset Sale are applied to the payment of the Obligations as set forth in, and to the extent required by, *Section 2.9 (Mandatory Prepayments)*.

Section 8.5 Restricted Payments

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, directly or indirectly, declare, order, pay, make or set apart any sum for any Restricted Payment except for the following:

(a) Restricted Payments by any Subsidiary of the Parent to the Parent or any Subsidiary of the Parent (and, if such Subsidiary is not a Wholly-Owned Subsidiary, to the other shareholders of such Subsidiary on a *pro rata* basis or on a basis that results in the receipt by the Parent or a Subsidiary of dividends or distributions of greater value than it would receive on a *pro rata* basis);

(b) dividends and distributions declared and paid on the common Stock of the Parent and payable only in common Stock of the Parent; and

(c) the repurchase, redemption or other acquisition or retirement for value of any of the Stock or Stock Equivalents of the Parent held by any then existing or former director, officer or employee of the Parent or any of its Subsidiaries or their respective assigns, estates, heirs or their current or former spouses; *provided*, *however*, that (i) such Restricted Payment is made in the amount of the proceeds of key-man life insurance received by any Subsidiary of the Parent by reason of the death of any director, officer or employee and for the purpose of financing the repurchase, redemption or other acquisition or retirement for value of any of the Stock or Stock Equivalents of the Parent held by such director, officer or employee or its assigns, estates, heirs or current or former spouses, (ii) such Restricted Payment is made only to the extent the Available Employee Basket is not (and would not be after giving effect to such Restricted Payment) less than zero or (iii) such Restricted Payment is made using the Net Cash Proceeds of any Equity Issuance (but only to the extent of that portion of the Net Cash Proceeds of which have not previously been (and are not simultaneously being) applied to make Capital Expenditures within the meaning of clause (b) of the definition of "Unfinanced Capital Expenditures", to make Investments pursuant to *Section 8.3(m) (Investments)* or to make other Restricted Payments pursuant to this *Section 8.5(c)(iii) (Restricted Payments)*); or

(d) any other Restricted Payment to the extent that at the time of such Restricted Payment the sum of (i) the amount of such Restricted Payment and (ii) the aggregate amount of all other Restricted Payments made in reliance upon this *clause (d)* and declared or paid after January 1, 2010 and prior to such time would not exceed the Restricted Payment Allowance in effect at such time;

provided, *however*, that no Restricted Payment described in *clause (c)* or *(d)* shall be permitted if (x) a Default or Event of Default shall have occurred and be continuing at the date of declaration or payment thereof or would result therefrom or (y) in the case of *clause (d)* only, the Leverage Ratio of the Parent calculated both before giving effect to such Restricted Payment and after giving effect to such Restricted Payment on a pro forma basis (recomputed as of the last day of the most recently ended Fiscal Quarter for which Financial Statements have been delivered pursuant to *Section 6.1(b)* or *(c) (Financial Statements)*) is higher than 4.0 to 1.0.

Section 8.6 Prepayment and Cancellation of Indebtedness

(a) *Cancellation*. Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, cancel any Indebtedness owed to any of them except (i) in the ordinary course of business (including loans to any existing or former director, officer or employee of Parent or any of its Subsidiaries or their respective assigns, estates, heirs or their current or former spouses) and (ii) in respect of intercompany Indebtedness owing to the Borrower or any Guarantor by any Non-Guarantor.

(b) *Prepayment of Indebtedness*. As long as the Leverage Ratio of the Parent as of the date thereof shall equal or exceed 4.0 to 1.0 (after giving effect to such prepayment, redemption, purchase, defeasance or satisfaction), neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Indebtedness (including the Senior Notes and any Subordinated Debt); *provided*, *however*, that the Parent and each Subsidiary of the Parent may (A) prepay the Obligations in accordance with the terms of this Agreement, (B) make regularly scheduled or otherwise required repayments or redemptions of Indebtedness, (C) prepay Indebtedness under the Existing Credit Agreement and the Existing Senior Subordinated Notes with the proceeds of the initial Borrowings hereunder, (D) prepay any Indebtedness payable to the Borrower or any of its Subsidiaries by Parent or any of its Subsidiaries, (E) prepay any Indebtedness secured by a Lien permitted under this Agreement and (F) prepay, renew, extend, refinance and refund Indebtedness, as long as such renewal, extension, refinancing or refunding is permitted under *Section 8.1(e) (Indebtedness)*.

Section 8.7 Restriction on Fundamental Changes; Permitted Acquisitions

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, do any of the following:

(a) except in connection with a Permitted Acquisition or an Asset Sale otherwise permitted by *Section 8.4 (Sale of Assets)* (other than under *Section 8.4(i)(A) (Sale of Assets)*), (i) merge or consolidate with any Person, (ii) acquire all or substantially all of the Stock or Stock Equivalents of any Person or (iii) acquire all or substantially all of the assets of any Person or all or substantially all of the assets constituting the business of a division, branch or other unit operation of any Person;

(b) enter into any joint venture (including any Joint Venture) or partnership with any Person that is not a Loan Party or a Subsidiary of a Loan Party, in each case except for Permitted Joint Ventures; or

(c) except as part of any Foreign IP Transfer, create any Subsidiary unless, after giving effect to such creation, such Subsidiary is a Wholly-Owned Subsidiary of the Parent and the Investment in such Subsidiary is permitted under *Section 8.3(h) (Investments)*;

provided, *however*, that:

(x) (1) any Subsidiary of the Parent (other than the Borrower) may be merged, liquidated or dissolved into the Borrower or a Guarantor and (2) any Non-Guarantor may be merged, liquidated or dissolved into any other Non-Guarantor;

(y) any Permitted Joint Venture may be liquidated or dissolved to the extent permitted pursuant to *Section 8.4(i)(B) (Sale of Assets)*; and

(z) any Subsidiary of the Parent (other than the Borrower) may be acquired by any Loan Party or, if such Subsidiary is a Non-Guarantor, by any Non-Guarantor (in each case, as long as the resulting Asset Sale and Investment are otherwise permitted hereunder);

provided, further, however, that (A) in the case of any merger or consolidation to which the Parent or the Borrower is a party, the Parent or the Borrower (as the case may be) shall survive such merger or consolidation, (B) subject to the preceding *clause (A)*, in the case of any merger or consolidation to which any Guarantor is a party, such Guarantor shall survive such merger or consolidation and (C) subject to the preceding clauses (A) and (B), other than in an Asset Sale permitted by *Section 8.4 (Sale of Assets*) (other than *Section 8.4(i)(A)*), in the case of any merger or consolidation to which any Subsidiary of the Parent is a party, such Subsidiary shall survive such merger or consolidation.

Section 8.8 Change in Nature of Business

(a) The Borrower shall not, nor shall the Parent or the Borrower permit any of their respective Subsidiaries to, make any material change in the nature or conduct of its business as carried on at the date hereof, whether in connection with a Permitted Acquisition or otherwise, except for businesses reasonably related to the business as carried on at the date hereof, or ancillary or complementary thereto (or a reasonable extension or expansion thereof), or otherwise part of the consumer products business.

(b) The Parent shall not engage in any business or activity other than (i) holding shares in the Stock of Subsidiaries, (ii) holding the Indebtedness, granting the Liens and making the Investments and Restricted Payments such Person is otherwise permitted to make hereunder, (iii) filing tax reports and paying taxes and other expenses in the ordinary course, (iv) preparing reports to Governmental Authorities and to its stockholders, (v) holding directors and stockholders meetings, preparing corporate records and other corporate activities required to maintain its separate corporate structure or to comply with applicable Requirements of Law, (vi) ordinary course activities of a public company and (vii) activities reasonably related to the foregoing.

Section 8.9 Transactions with Joint Ventures and Affiliates

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, directly or indirectly, conduct any business or enter into or suffer to exist any transaction or series of transactions (including any Investment, Asset Sale, incurrence of Indebtedness or any transaction in respect thereof, the purchase, sale, transfer, assignment, lease, conveyance or exchange of any property or the rendering of any service) with any of their Affiliates (other than Parent, the Borrower or any Subsidiary Guarantor) except for each of the following:

(a) Restricted Payments;

(b) Investments in loans and advances to officers and directors permitted pursuant to *clause (j)* or *(k)* of *Section 8.3 (Investments)*;

(c) Indebtedness of Non-Guarantors, Investments in or by Non-Guarantors and Restricted Payments by Non-Guarantors to Loan Parties, in each case as otherwise permitted hereunder;

(d) [Reserved];

(e) expense reimbursement, indemnities, salaries and other director or employee compensation (including expense reimbursement and indemnities) to officers or directors of the Parent or any of its Subsidiaries; and

(f) transactions set forth in writing, in the ordinary course of business and on a basis not materially less favorable to the Parent, the Borrower or, as the case may be, such Subsidiary of either of them as would be obtained in a comparable arm's length transaction with a Person not an Affiliate thereof.

Section 8.10 Limitations on Restrictions on Subsidiary Distributions; No New Negative Pledge

Except pursuant to the Loan Documents and the Senior Notes Documents, neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, (a) agree to enter into or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of such Subsidiary to (i) pay dividends or make any other distribution with respect to its Stock or Stock Equivalents, (ii) transfer any of its properties or assets or (iii) make loans or advances to or other Investments in, or pay any Indebtedness owed to, the Parent or any other Subsidiary of the Parent or (b) enter into or suffer to exist or become effective any agreement prohibiting or limiting the ability of the Parent or any Subsidiary of the Parent to create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, to secure the Obligations; *provided*, *however*, that the foregoing shall not apply to (w) customary restrictions contained in any Hedging Contract constituting a Secured Obligation, (x) restrictions on Restricted Payments to any Loan Party for the benefit of holders of Indebtedness of Non-Guarantors (and agents under the resulting facilities) otherwise permitted hereunder, (y) encumbrances on assets acquired by the Parent, the Borrower or any Subsidiary of either of them, as long as such encumbrances related to the assets so acquired and were not created in connection with or in anticipation of such acquisition and (z) encumbrances contained in any agreement for the sale or other disposition of any Subsidiary or Permitted Joint Venture of the Parent in accordance with the terms herewith that restricts distributions by that Subsidiary or Permitted Joint Venture pending such sale or other distribution; and *provided*, *further*, that the foregoing *clause (a)(ii)* shall not apply to (A) restrictions in the Indebtedness secured by a Lien permitted hereunder on any asset on the transfer of such asset, (B) customary provisions entered into in the ordinary course of business restricting assignment (including, in the case of leases, subletting, and, in the case of licenses, sublicensing) of any Contractual Obligation, (C) customary restrictions entered into in the ordinary course of business in asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements limiting the transfer of the assets subject thereto pending the consummation of the sale provided therein, (D) customary restrictions in agreements relating to Permitted Joint Ventures or (E) restrictions on cash or other deposit or net worth imposed by customers or contracts entered into in the ordinary course of business.

Section 8.11 Modification of Constituent Documents

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, change its capital structure (including in the terms of its outstanding Stock) or otherwise amend its Constituent Documents, except for changes and amendments that do not materially and adversely affect the rights and privileges of the Parent, the Borrower or any of their respective Subsidiaries and do not materially and adversely affect the interests of the Administrative Agent, the Syndication Agent, the Lenders and the Issuers under the Loan Documents or in the Collateral.

Section 8.12 **[*Reserved.*]**

Section 8.13 Modification of Certain Documents

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, change or amend the terms of any Senior Notes (or any Senior Notes Document) or any Subordinated Debt (or any Subordinated Debt Document) if the effect of such amendment is to (i) increase the cash pay portion of the interest rate (or decrease the portion thereof that is not required to be paid in cash) on such Senior Notes or such Subordinated Debt, (ii) change the dates upon which payments of principal or interest are due on such Senior Notes or such Subordinated Debt other than to extend such dates, (iii) change any default of event of default other than to delete or make less restrictive any default provision therein, or change any covenant with respect to such Senior Notes or such Subordinated Debt in any manner materially adverse to the Parent, the Borrower, any of their respective Subsidiaries or any Agent, Lender, Issuer or other Secured Party, (iv) change the subordination provisions of such Subordinated Debt, (v) change the redemption or prepayment provisions of such Senior Notes or such Subordinated Debt other than to extend the dates thereof or to reduce the premiums payable in connection therewith or (vi) change or amend any other term if such change or amendment would materially increase the obligations of the obligor or confer additional material rights on the holder of such Senior Notes or such Subordinated Debt in a manner adverse to the Parent, the Borrower, any of their respective Subsidiaries or the Administrative Agent, the Syndication Agent or any Lender, Issuer or other Secured Party.

Section 8.14 Accounting Changes; Fiscal Year

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, change its (a) accounting treatment and reporting practices or tax reporting treatment, except as required by GAAP or any Requirement of Law and disclosed to the Lenders and the Administrative Agent or (b) fiscal year.

Section 8.15 Margin Regulations

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, use all or any portion of the proceeds of any credit extended hereunder to purchase or carry margin stock (within the meaning of Regulation U of the Federal Reserve Board) in contravention of Regulation U of the Federal Reserve Board.

Section 8.16 Sale and Leaseback Transactions

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, enter into any sale and leaseback transaction if, after giving effect to such sale and leaseback transaction, the Dollar Equivalent of the aggregate Fair Market Value of all properties covered by sale and leaseback transactions would exceed $10,000,000 at any time outstanding.

Section 8.17 No Speculative Transactions

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, engage in any speculative transaction or in any transaction involving Hedging Contracts except for the sole purpose of hedging in the normal course of business.

Section 8.18 Compliance with ERISA

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries or any ERISA Affiliate to, cause or permit to occur, (a) an event that would reasonably be

expected to result in the imposition of a Lien under Section 412 of the Code or Section 302 or 4068 of ERISA or (b) ERISA Events that would have a Material Adverse Effect in the aggregate.

Section 8.19 Environmental

Neither the Parent nor the Borrower shall, nor shall they permit any of their respective Subsidiaries to, allow a Release of any Contaminant in violation of any Environmental Law; *provided, however*, that neither the Parent nor the Borrower shall be deemed in violation of this *Section 8.19* if the Dollar Equivalent of all Environmental Liabilities and Costs incurred or reasonably expected to be incurred by the Loan Parties as the consequence of all such Releases shall not exceed $7,000,000 in the aggregate.

ARTICLE IX

EVENTS OF DEFAULT

Section 9.1 Events of Default

Each of the following events shall be an Event of Default:

(a) the Borrower shall fail to pay any principal of any Loan made hereunder or any obligation owing by the Borrower under *Section 2.2(c) (Borrowing Procedures)* (after giving effect to any grace period set forth therein) or any Reimbursement Obligation when the same becomes due and payable; or

(b) any Loan Party shall fail to pay any interest on any Loan, any fee under any of the Loan Documents or any other Secured Obligation (other than one referred to in *clause (a)* above) and such non-payment continues for a period of five Business Days after the due date therefor; or

(c) any representation or warranty made or deemed made by any Loan Party in any Loan Document or by any Loan Party (or any of its officers) in connection with any Loan Document shall prove to have been incorrect in any material respect when made or deemed made; or

(d) any Loan Party shall fail to perform or observe (i) any term, covenant or agreement contained in *Article V (Financial Covenants)*, *Section 6.2 (Default Notices)*, *7.1 (Preservation of Corporate Existence, Etc.)*, *7.6 (Access)*, *7.9 (Use of Proceeds)*, *7.11 (Additional Collateral and Guaranties)*, *7.13 (Real Property)* or *Article VIII (Negative Covenants)*, (ii) any term, covenant or agreement contained in *Section 6.1 (Financial Statements)* if such failure shall remain unremedied for five days or (iii) any other term, covenant or agreement contained in this Agreement or in any other Loan Document if such failure under this *clause (iii)* shall remain unremedied for 30 days after the earlier of (A) the date on which a Responsible Officer of the Borrower becomes aware of such failure and (B) the date on which written notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender; or

(e) (i) the Parent, the Borrower or any of their respective Subsidiaries shall fail to make (after giving effect to any applicable grace period) any payment on any Indebtedness of the Parent, the Borrower or any such Subsidiary (other than the Obligations) or any Guaranty Obligation in respect of Indebtedness of any other Person, and, in each case, such failure relates to Indebtedness having a principal amount the Dollar Equivalent of which equals or exceeds $5,000,000, when the same becomes due and payable (whether by scheduled maturity, required

prepayment, acceleration, demand or otherwise), (ii) any other event shall occur or condition shall exist under any agreement or instrument relating to any such Indebtedness, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such Indebtedness or (iii) any such Indebtedness shall become or be declared to be due and payable, or be required to be prepaid or repurchased (other than by a regularly scheduled required prepayment), prior to the stated maturity thereof; or

(f) (i) the Parent, the Borrower or any of their respective Subsidiaries shall generally not pay its debts as such debts become due, shall admit in writing its inability to pay its debts generally or shall make a general assignment for the benefit of creditors, (ii) any proceeding shall be instituted by or against the Parent, Borrower or any of their respective Subsidiaries seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts, under any Requirement of Law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a custodian, receiver, trustee or other similar official for it or for any substantial part of its property; *provided*, *however*, that, in the case of any such proceedings instituted against the Parent, the Borrower or any of their respective Subsidiaries (but not instituted by the Parent, the Borrower or any of their respective Subsidiaries) either such proceedings shall remain undismissed or unstayed for a period of 45 days or more or any action sought in such proceedings shall occur or (iii) the Parent, the Borrower or any of their respective Subsidiaries shall take any corporate action to authorize any action set forth in *clauses (i)* and *(ii)* above; or

(g) one or more judgments or orders (or other similar process) involving, in the case of money judgments, an aggregate amount whose Dollar Equivalent exceeds $5,000,000, to the extent not covered by insurance, shall be rendered against one or more of any Loan Party or any Subsidiary thereof and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(h) an ERISA Event shall occur and the Dollar Equivalent of the amount of all liabilities and deficiencies resulting therefrom, whether or not assessed, exceeds $5,000,000 in the aggregate; or

(i) any provision of any Loan Document after delivery thereof shall for any reason (other than through a termination executed by the Administrative Agent or otherwise in accordance with its terms) fail or cease to be valid and binding on, or enforceable against, any Loan Party party thereto, or any Loan Party shall so state in writing; or

(j) any Collateral Document shall for any reason fail or cease to create valid and enforceable Liens on any Collateral purported to be covered thereby or, except as permitted by the Loan Documents, such Liens shall fail or cease to constitute the Requisite Priority Liens, or any Loan Party shall so state in writing and, if such invalidity relates solely to Collateral the aggregate value of which has a Dollar Equivalent not exceeding $1,000,000 and such invalidity or unenforceability is such as to be amenable to cure without materially adversely affecting the Administrative Agent and the other Secured Parties under any Loan Document, such invalidity or unenforceability shall not be cured within 30 days; or

(k) there shall occur any Change of Control; or

(l) one or more of the Parent, the Borrower and their respective Subsidiaries shall have entered into one or more consent or settlement decrees or agreements or similar arrangements with a Governmental Authority or one or more judgments, orders, decrees or similar actions shall have been entered against one or more of the Parent, the Borrower and their respective Subsidiaries based on or arising from the violation of or pursuant to any Environmental Law, or the generation, storage, transportation, treatment, disposal or Release of any Contaminant and, in connection with all the foregoing, the Parent, the Borrower or any of their respective Subsidiaries is likely to incur Environmental Liabilities and Costs whose Dollar Equivalent exceeds $7,000,000 in the aggregate that were not reflected in the Projections or the Financial Statements delivered pursuant to *Section 4.4 (Financial Statements)* prior to the date hereof.

Section 9.2 Remedies

During the continuance of any Event of Default, the Administrative Agent (a) at the request of the Requisite Lenders, shall, by notice to the Borrower declare that all or any portion of the Commitments be terminated, whereupon the obligation of each Lender to make any Loan and each Issuer to Issue any Letter of Credit shall immediately terminate and (b) at the request of the Requisite Lenders, shall, by notice to the Borrower, declare the Loans, all interest thereon and all other amounts and Obligations payable under this Agreement to be forthwith due and payable, whereupon the Loans, all such interest and all such amounts and Obligations shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; *provided*, *however*, that upon the occurrence of the Events of Default specified in *Section 9.1(f)(ii) (Events of Default)*, (x) the Commitments of each Lender to make Loans and the commitments of each Lender and Issuer to Issue or participate in Letters of Credit shall each automatically be terminated and (y) the Loans, all such interest and all such amounts and Obligations shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower. In addition to the remedies set forth above, the Administrative Agent may exercise any remedies provided for by the Collateral Documents in accordance with the terms thereof or any other remedies provided by applicable law.

Section 9.3 Actions in Respect of Letters of Credit and Swing Loans

(a) *Cash Collateral Accounts*. At any time (a) upon the Revolving Credit Termination Date, (b) after the Revolving Credit Termination Date when the aggregate funds on deposit in Cash Collateral Accounts shall be less than 102% of the Letter of Credit Obligations or (c) as may be required by *Sections 2.3 (Swing Loans)*, *2.4(a)((ii)(B) (Letters of Credit)*, *2.9(c)* or *(d) (Mandatory Prepayments)*, the Borrower shall pay to the Administrative Agent in immediately available funds at the Administrative Agent's office referred to in *Section 11.8 (Notices, Etc.)*, for deposit in a Cash Collateral Account, (x) in the case of *clauses (a)* and *(b)* above, the amount required such that, after such payment, the aggregate funds on deposit in the Cash Collateral Accounts equals or exceeds 102% of the sum of all outstanding Letter of Credit Obligations and (y) in the case of *clause (c)* above, the amount required by *Sections 2.3 (Swing Loans)*, *2.4(a)(ii)(B) (Letters of Credit) or 2.9(c) (Mandatory Prepayments)*. The Administrative Agent may, from time to time after funds are deposited in any Cash Collateral Account, apply funds then held in such Cash Collateral Account to the payment of any amounts, in accordance with *Section 2.13(g) (Payments and Computations)*, as shall have become or shall become due and payable by the Borrower to the Issuers or Lenders in respect of the Letter of Credit Obligations. The Administrative Agent shall promptly give written notice of any such application; *provided*, *however*, that the failure to give such written notice shall not invalidate any such application.

(b) *Grant of Security Interest*. All cash collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America. The Borrower, and to the extent provided by any Lender, such Lender, hereby grants to the Administrative Agent, for the benefit of the Administrative Agent, the Issuers and the Lenders (including the Swing Loan Lender), a security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing. If at any time the Administrative Agent determines that cash collateral in a Cash Collateral Account is subject to any right or claim of any Person other than the Administrative Agent as herein provided, or that the total amount of such cash collateral is less than that required to eliminate the applicable Fronting Exposure, the Borrower or the relevant Defaulting Lender will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional cash collateral in an amount sufficient to eliminate the applicable Fronting Exposure.

(c) *Application*. Notwithstanding anything to the contrary contained in this Agreement, cash collateral provided under any of this *Section 9.3* or *Sections 2.3 (Swing Loans)*, *2.4 (Letters of Credit)*, *2.9 (Mandatory Prepayments)* or *9.5 (Application of Proceeds*) in respect of Letters of Credit or Swing Loans shall be held and applied to the satisfaction of the specific Letter of Credit Obligations, Swing Loans or obligations to fund participations therein (including, as to cash collateral deposited in a Cash Collateral Account provided by a Defaulting Lender, interest accrued on such obligation) for which the Cash Collateral Account or other credit support was so provided, prior to any other application of such property as may be provided for herein.

(d) *Release*. Cash collateral deposited in a Cash Collateral Account pursuant to any of the Sections referred to in *Section 9.3(c)* shall be released (except (i) as may be agreed to among the parties posting and the Issuers or Swing Loan Lender benefiting from such Cash Collateral Account and (ii) cash collateral deposited into a Cash Collateral Account provided by or on behalf of a Loan Party shall not be released during the continuance of a Default or Event of Default) promptly following the payment, satisfaction or (as to Letters of Credit) expiration of the obligations giving rise to delivery of such cash collateral, or, as to cash collateral provided pursuant to *Sections 2.3 (Swing Loans)* or *2.4 (Letters of Credit)*, such earlier date as (A) the status of the applicable Lender as a Defaulting Lender shall be terminated or (B) the Administrative Agent shall determine in good faith that there remain outstanding no actual or potential Defaulting Lender funding obligations as to which a benefited Issuer or Swing Loan Lender desires to maintain a Cash Collateral Account.

Section 9.4 Rescission

If at any time after termination of the Commitments or acceleration of the maturity of the Loans, the Borrower shall pay all arrears of interest and all payments on account of principal of the Loans and Reimbursement Obligations that shall have become due otherwise than by acceleration (with interest on principal and, to the extent permitted by law, on overdue interest, at the rates specified herein) and all Events of Default and Defaults (other than non-payment of principal of and accrued interest on the Loans due and payable solely by virtue of acceleration) shall be remedied or waived pursuant to *Section 11.1 (Amendments, Waivers, Etc.)*, then upon the written consent of the Requisite Lenders and written notice to the Borrower, the termination of the Commitments or the acceleration and their consequences may be rescinded and annulled; *provided*, *however*, that such action shall not affect any subsequent Event of Default or Default or impair any right or remedy consequent thereon. The provisions of the preceding sentence are intended merely to bind the Lenders and the Issuers to a decision that may be made at the election of the Requisite Lenders, and such provisions are not intended to benefit the Borrower and do not give the Borrower the right to require the Lenders to rescind or annul any acceleration hereunder, even if the conditions set forth herein are met.

Section 9.5 Application of Proceeds

Proceeds of Collateral received by the Administrative Agent shall be applied to the Secured Obligations as follows:

(i) *first*, to pay interest on and then principal of any portion of any Loan that the Administrative Agent may have advanced on behalf of any Lender for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower;

(ii) *second*, to pay Secured Obligations in respect of any expense reimbursements or indemnities then due to the Administrative Agent in its capacity as such;

(iii) *third*, to pay Secured Obligations in respect of any expense reimbursements or indemnities then due to the Lenders and the Issuers;

(iv) *fourth*, to pay Secured Obligations in respect of any fees then due to the Administrative Agent, the Lenders and the Issuers;

(v) *fifth*, to pay interest then due and payable in respect of all Loans and Reimbursement Obligations;

(vi) *sixth*, to pay or prepay principal payments on all Loans, all Reimbursement Obligations and all Secured Obligations under Hedging Contracts then due and payable by any Loan Party and to provide cash collateral for outstanding Letter of Credit Undrawn Amounts in the manner described in *Section 9.3 (Actions in Respect of Letters of Credit)*, ratably to the aggregate principal amount of such Loans, Reimbursement Obligations, obligations under Hedging Contracts, Secured Cash Management Obligations and Letter of Credit Undrawn Amounts; and

(vii) *seventh*, to the ratable payment of all other Secured Obligations;

provided, *however*, that if sufficient funds are not available to fund all payments to be made in respect of any of the Secured Obligations set forth in any of clauses *first* through *seventh* above, the available funds being applied with respect to any such Secured Obligation (unless otherwise specified in such clause) shall be allocated to the payment of such Secured Obligations ratably, based on the proportion of the Administrative Agent's, each Lender's or Issuer's interest in the aggregate outstanding Secured Obligations described in such clauses; *provided*, *further*, that payments that would otherwise be allocated to the Revolving Credit Lenders shall be allocated first to repay Swing Loans until such Loans are paid in full and then to repay Revolving Loans.

ARTICLE X

THE AGENTS

Section 10.1 Appointment and Authority

(a) Each of the Lenders and the Issuers hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental hereto or thereto. The provisions of this Article are solely for the benefit

of the Administrative Agent, the Lenders and the Issuers, and the Borrower shall not have rights as a third party beneficiary of any of such provisions.

(b) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders (including with respect to any Secured Cash Management Obligations or Secured Hedging Contract Obligations to which it or any of its Affiliates is a party) and the Issuers hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender (or such Affiliate of such Lender) and such Issuer for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent," and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to *Section 10.05 (Delegation of Duties)* for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of this *Article X* and *Article XI (Miscellaneous)* (including *Section 11.4(e) (Indemnities, Reimbursements, Damage Waiver)*, as though such co-agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

Section 10.2 Rights as a Lender

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 10.3 Exculpatory Provisions

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Requisite Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law;

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relat-

ing to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity;

(d) shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Requisite Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in *Sections 11.1 (Amendments, Waivers, Etc.)* and *9.2 (Remedies)*) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower, a Lender or an Issuer; and

(e) shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in *Article III (Conditions to Loans and Letters of Credit)* or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 10.4 Reliance by Administrative Agent

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or such Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or such Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 10.5 Delegation of Duties

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates and the partners, directors, officers, employees, agents, trustees and advisors. The exculpatory provisions of this *Article X* shall apply to any such sub-agent and to the Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 10.6 Resignation of Administrative Agent

The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuers and the Borrower. Upon receipt of any such notice of resignation, the Requisite Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Requisite Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders and the Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above; *provided* that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the Issuers under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each Issuer directly, until such time as the Requisite Lenders appoint a successor Administrative Agent as provided for above in this *Section 10.6*. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this *Section 10.6*). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this *Article X* and *Sections 11.3 (Costs and Expenses)* and *11.4 (Amendments, Waivers, Etc.)* shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Affiliates and the partners, directors, officers, employees, agents, trustees and advisors in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as an Issuer and Swing Loan Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuer and Swing Loan Lender, (ii) the retiring Issuer and Swing Loan Lender shall be discharged from all of their respective duties and obligations hereunder and under the other Loan Documents other than obligations and duties with respect to outstanding Letters of Credit in accordance with the terms of such Letters of Credit, and (iii) the successor Issuer shall issue letters of credit in substitution for the Letters of Credit if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring Issuer to effectively assume the obligations of the retiring Issuer with respect to such Letters of Credit. If Bank of America resigns as Issuer, it shall retain all the rights, powers, privileges and duties and obligations of an Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as Issuer and all Letter of Credit Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Letter of Credit Obligations pursuant to *Section 2.4(d) (Letters of Credit)*). If Bank of America resigns as Swing Loan Lender, it shall retain all the rights of the Swing Loan Lender provided for hereunder with respect to Swing Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make

Base Rate Loans or fund risk participations in outstanding Swing Loans pursuant to *Section 2.3(e) (Swing Loans)*.

Section 10.7 Non-Reliance on Administrative Agent and Other Lenders

Each Lender and each Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Affiliates and the partners, directors, officers, employees, agents, trustees and advisors and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and each Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Affiliates and the partners, directors, officers, employees, agents, trustees and advisors and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 10.8 [Reserved]

Section 10.9 Administrative Agent May File Proofs of Claim

In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or Letter of Credit Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, Letter of Credit Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuers and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuers and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuers and the Administrative Agent under *Sections 2.12 (Fees)*, *11.3 (Costs and Expenses)* and *11.4 (Indemnities, Reimbursement, Damage Waiver)*); and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each Issuer to make such payments to the Administrative Agent and if the Administrative Agent shall consent to the making of such payments directly to the Lenders and the Issuers, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under *Sections 2.12 (Fees)*, *11.3 (Costs and Expenses)* and *11.4 (Indemnities, Reimbursement, Damage Waiver)*.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or any Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or any Issuer or in any such proceeding.

Section 10.10 Collateral and Guaranty Matters

Each of the Lenders (for itself and its Affiliates, including in their respective capacities under Secured Cash Management Obligations and Secured Hedging Contract Obligations) and each of the Issuers irrevocably authorizes the Administrative Agent, at its option and in its discretion:

(a) to release any Lien on any property granted to or held by the Administrative Agent under any Loan Document (i) upon termination of the Commitments and payment in full of all Secured Obligations (other than (A) contingent indemnification obligations and (B) obligations and liabilities under Secured Cash Management Obligations and Secured Hedging Contract Obligations as to which arrangements reasonably satisfactory to the applicable Secured Party shall have been made) and the expiration or termination of all Letters of Credit (other than Letters of Credit as to which cash collateral, or other arrangements, reasonably satisfactory to the Administrative Agent and the Issuers shall have been made), (ii) that is sold or to be sold (except for any sale to a Loan Party) as part of or in connection with any sale permitted hereunder or under any other Loan Document, or (iii) if approved, authorized or ratified in writing in accordance with *Section 11.1 (Amendments, Waivers, Etc.)*;

(b) to release any Guarantor from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted hereunder; and

(c) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by *Section 8.2(d) (Liens, Etc.)*.

Upon request by the Administrative Agent at any time, the Requisite Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this *Section 10.10*. In each case as specified in this *Section 10.10*, the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this *Section 10.10*.

Section 10.11 Secured Cash Management Obligations and Secured Hedging Contract Obligations

Except as otherwise expressly set forth herein or in any Guaranty or any Collateral Document, no Secured Party that is an obligee under any Secured Cash Management Obligations or Secured Hedging Contract Obligations that obtains the benefits of *Section 9.5 (Application of Proceeds)*, any Guaranty or any Collateral by virtue of the provisions hereof or of any Guaranty or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this *Article X* to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Secured Cash Management Obligations and Secured Hedging Contract Obligations unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Secured Party, as the case may be.

Section 10.12 Other Agents, Arrangers and Managers

None of the Lenders or other Persons identified on the facing page of this Agreement as a "syndication agent," "joint lead arranger" or "joint book-running manager" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders or other Persons so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 10.13 Withholding Tax Indemnity

To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding tax. If the Internal Revenue Service or any other authority of the United States or other jurisdiction asserts a claim that the Administrative Agent did not properly withhold tax from amounts paid to or for the account of any Lender for any reason (including, without limitation, because the appropriate form was not delivered or not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstance that rendered the exemption from, or reduction of withholding tax ineffective), such Lender shall indemnify and hold harmless the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by the Borrower pursuant to *Section 2.14(c) (Special Provisions Governing Eurodollar Rate Loans)* and *Section 2.16 (Taxes)* and without limiting or expanding the obligation of the Borrower to do so) for all amounts paid, directly or indirectly, by the Administrative Agent as Taxes or otherwise, together with all expenses incurred, including legal expenses and any other out-of-pocket expenses, whether or not such tax was correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. The agreements in this *Section 10.13* shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Agreement and the repayment, satisfaction or discharge of all other Obligations. For purposes of this *Section 10.13*, the term "Lender" shall include any Issuer.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Amendments, Waivers, Etc.

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document nor consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be in writing and (x) in the case of any such waiver or consent, signed by the Requisite Lenders (or by the Administrative Agent with the consent of the Requisite Lenders), (y) in the case of any amendment necessary to implement the terms of a Facilities Increase in accordance with the terms hereof, by the Borrower and the Administrative Agent, and (z) in the case of any other amendment, by the Requisite Lenders (or by the Administrative Agent with the consent of the Requisite Lenders) and the Borrower, and then any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided*, *however*, that no amendment, waiver or consent shall, unless in writing and signed by each Lender directly affected thereby, in addition to the Requisite Lenders (or the Administrative Agent with the consent thereof), do any of the following:

(i) increase the Commitment of such Lender or subject such Lender to any additional obligation;

(ii) extend the scheduled final maturity of any Loan owing to such Lender, or waive or postpone any scheduled date fixed for the payment of principal or interest (other than with respect to the increase in such rate of interest triggered by any Default or Event of Default) of any such Loan or any fee owing to such Lender (it being understood that *Section 2.9 (Mandatory Prepayments)* does not provide for scheduled dates fixed for payment) or for the reduction or termination of such Lender's Commitment);

(iii) reduce, or release the Borrower from its obligations to repay, the principal amount of any Loan or Reimbursement Obligation owing to such Lender (other than by the payment or prepayment thereof);

(iv) reduce the rate of interest on any Loan or Reimbursement Obligation outstanding and owing to such Lender or any fee payable hereunder to such Lender, or waive any such payment;

(v) [Reserved];

(vi) change the percentage of Lenders required for any or all Lenders to take any action hereunder or change the definition of "Requisite Lender," in each case other than to effect a Facilities Increase;

(vii) release all or substantially all of the Collateral or release the Borrower from its payment obligation to such Lender under this Agreement or the Notes owing to such Lender (if any) or release any Guarantor from its obligations under the Guaranty except in connection with the sale or other disposition of a Subsidiary Guarantor (or all or substantially all of the assets thereof) or the dissolution or liquidation of a Subsidiary Guarantor permitted by this Agreement (or permitted pursuant to a waiver or consent of a transaction otherwise prohibited by this Agreement); or

(viii) amend this *Section 11.1* or *Section 9.5 (Application of Proceeds)* or, following an exercise of remedies pursuant to *Section 9.2 (Remedies)*, the definition of "Ratable Portion" or *Section 2.13(f) (Payments and Computations)* or *Section 11.7 (Sharing of Payments, Etc.)* without the written consent of each Lender directly affected thereby;

and *provided*, *further*, that:

(1) (i) any change to the definition of the term "Requisite Term Loan Lenders" shall require the consent of the Requisite Term Loan Lenders and (ii) any change to the definition of "Requisite Revolving Credit Lenders" shall require the consent of the Requisite Revolving Credit Lenders, in each case other than to effect a Facilities Increase;

(2) (i) any modification of the application of payments to the Term Loans pursuant to *Section 2.9 (Mandatory Prepayments)* shall require the consent of the Requisite Term Loan Lenders and (ii) any modification of the application of payments to the Revolving Loans pursuant to *Section 2.9 (Mandatory Prepayments)* or the reduction of the Revolving Credit Commitments pursuant to *Section 2.5(b) (Termination of the Commitments)* shall require the consent of the Requisite Revolving Credit Lenders;

(3) no amendment, waiver or consent shall, unless in writing and signed by any Special Purpose Vehicle that has been granted an option pursuant to *Section 11.2(e) (Assignments and Participations)*, affect the grant or nature of such option or the right or duties of such Special Purpose Vehicle hereunder;

(4) no amendment, waiver or consent shall affect the rights or duties of any Agent or Issuer under this Agreement or the other Loan Documents unless in writing and signed by such Agent or Issuer in addition to the Lenders required above to take such action;

(5) no amendment, waiver or consent shall, unless in writing and signed by the Swing Loan Lender in addition to the Lenders required above to take such action, affect the rights or duties of the Swing Loan Lender under this Agreement or the other Loan Documents;

(6) notwithstanding any of the foregoing, the Administrative Agent may, solely with the consent of the Borrower, amend, modify or supplement this Agreement to cure any typographical error, defect or inconsistency, as long as such amendment, modification or supplement does not adversely affect the rights of any Lender or any Issuer in any material respect;

(7) no amendment, waiver or consent shall impose any greater restriction on the ability of any Lender under a Facility to assign any of its rights or obligations hereunder without the written consent of (i) if such Facility is the Term Loan Facility, the Requisite Term Loan Lenders and (iii) if such Facility is the Revolving Credit Facility, the Requisite Revolving Credit Lenders;

(8) any amendment or waiver of any Fee Letter shall require the consent of the parties thereto and no other Person; and

(9) no amendment, waiver or consent shall amend or waive any of the conditions precedent set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)* (including by amending or waiving any representation or warranty set forth in *Article IV (Representations and Warranties)* or any existing Default or Event of Default that has the effect of waiving any condition precedent set forth in *Section 3.2 (Conditions Precedent to Each Loan and Letter of Credit)*) without the written consent of the Requisite Revolving Credit Lenders and the Requisite Lenders (it being understood that an amendment of any covenant under which no Default or Event of Default then exists shall not require the separate written consent of the Requisite Revolving Credit Lenders).

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of all Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or the modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders (other than by virtue of the events and/or circumstances giving rise to such Defaulting Lender being or becoming a Defaulting Lender) shall require the consent of such Defaulting Lender.

(b) The Administrative Agent may, but shall have no obligation to, with the written concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in similar or other circumstances.

(c) If, in connection with any proposed amendment, modification, waiver or termination requiring the consent of any Revolving Credit Lender or Term Loan Lender in addition to the consent of the Requisite Lenders, the consent of the Requisite Lenders is obtained but the consent of such Revolving Credit Lender or Term Loan Lender whose consent is required is not obtained (any such Lender whose consent is not obtained as described in this *Section 11.1* being referred to as a "*Non-Consenting Lender*"), then, as long as the Lender acting as the Administrative Agent is not a Non-Consenting Lender, at the Borrower's request, an Eligible Assignee acceptable to the Administrative Agent shall have the right with the Administrative Agent's consent and in the Administrative Agent's sole discretion (but shall have no obligation) to purchase from such Non-Consenting Lender, and such Non-Consenting Lender agrees that it shall, upon the Borrower's request, sell and assign to the Lender acting as the Administrative Agent or such Eligible Assignee, all of the Revolving Credit Commitments and Revolving Credit Outstandings of such Non-Consenting Lender if such Non-Consenting Lender is a Revolving Credit Lender and all of the Term Loans of such Non-Consenting Lender if such Non-Consenting Lender is a Term Loan Lender, in each case for an amount equal to the principal balance of all such Revolving Loans or Term Loans, as applicable, held by the Non-Consenting Lender and all accrued and unpaid interest and fees and other amounts with respect thereto through the date of sale; *provided*, *however*, that such purchase and sale shall be recorded in the Register maintained by the Administrative Agent and not be effective until (x) the Administrative Agent shall have received from such Eligible Assignee an agreement in form and substance satisfactory to the Administrative Agent and the Borrower whereby such Eligible Assignee shall agree to be bound by the terms hereof and (y) such Non-Consenting Lender shall have received payments of all Revolving Loans or Term Loans, as applicable, held by it and all accrued and unpaid interest and fees and other amounts with respect thereto through the date of the sale. Each Lender agrees that, if it becomes a Non-Consenting Lender, it shall execute and deliver to the Administrative Agent an Assignment and Acceptance to evidence such sale and purchase and shall deliver to the Administrative Agent any Note (if the assigning Lender's Loans are evidenced by Notes) subject to such Assignment and Acceptance; *provided*, *however*, that the failure of any Non-Consenting Lender to execute an Assignment and Acceptance shall not render such sale and purchase (and the corresponding assignment) invalid and such assignment shall be recorded in the Register. An Eligible Assignee that becomes a Lender pursuant to this *clause (c)* shall pay any applicable recordation or processing fees set forth in *Section 11.2(b) (Assignments and Participations)*.

(d) Notwithstanding anything in this *Section 11.1* or the definition of "Requisite Lenders" or "Requisite Term Loan Lenders" to the contrary, for purposes of determining whether the Requisite Lenders or the Requisite Term Loan Lenders have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Loan Document or any departure by any Loan Party therefrom, (ii) otherwise acted on any matter related to any Loan Document, or (iii) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, all Term Loans held by any Affiliated Lender shall be deemed to be not outstanding for all purposes of calculating whether the Requisite Lenders or Requisite Term Loan Lenders have taken any actions.

Additionally, the Loan Parties and each Affiliated Lender hereby agree that if a case under Title 11 of the Bankruptcy Code of the United States is commenced against any Loan Party, such Loan Party shall seek (and each Affiliated Lender shall consent) to provide that the vote of any Affiliated Lender (solely in its capacity as a Lender) with respect to any plan of reorganization of such Loan Party shall not be counted except that such Affiliated Lender's vote (in its capacity as a Lender) may be counted to the extent any such plan of reorganization proposes to treat the Obligations held by such Affiliated Lender in a manner that is less favorable in any material respect to such Affiliated Lender than the proposed treatment of similar Obligations held by Lenders that are not Affiliates of the Borrower. Each Affiliated Lender hereby irrevocably appoints the Administrative Agent (such appointment being coupled

with an interest) as such Affiliated Lender's attorney-in-fact, with full authority in the place and stead of such Affiliated Lender and in the name of such Affiliated Lender, from time to time in the Administrative Agent's discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this paragraph.

Section 11.2 Assignments and Participations

(a) Each Lender may sell, transfer, negotiate or assign to one or more Eligible Assignees all or a portion of its rights and obligations hereunder (including all of its rights and obligations with respect to the Term Loans, the Revolving Loans, the Swing Loans and the Letters of Credit); *provided*, *however*, that:

(i) (A) if any such assignment shall be of the assigning Lender's Revolving Credit Outstandings and Revolving Credit Commitments, such assignment shall cover the same percentage of such Lender's Revolving Credit Outstandings and Revolving Credit Commitment and (B) if any such assignment shall be of the assigning Lender's Term Loans and Term Loan Commitments, such assignment shall cover the same percentage of such Lender's Term Loans and Term Loan Commitments;

(ii) each such assignment shall be, as determined as of the date of the Assignment and Acceptance with respect to such assignment, (A) an assignment of the assignor's entire interest in any Facility, (B) an assignment to a Lender or an Affiliate or Approved Fund of such Lender or (C)(1) an assignment of Term Loans and Term Loan Commitments in an amount that is an integral multiple of $1,000,000, (2) any assignment of any Revolving Credit Outstandings and Revolving Credit Commitments in an amount that is an integral multiple of $1,000,000 or (3) an assignment of any other amount made with the consent of the Borrower and the Administrative Agent; and

(iii) if such Eligible Assignee is not, prior to the date of such assignment, a Lender or an Affiliate or Approved Fund of a Lender, such assignment shall be subject to the prior consent of the Administrative Agent and the Borrower (which consents shall not be unreasonably withheld or delayed);

and *provided*, *further*, that, notwithstanding any other provision of this *Section 11.2*, (x) the consent of the Borrower shall not be required for any assignment occurring when any Event of Default shall have occurred and be continuing and (y) the consent of the Borrower shall not be required for any assignment by any Affiliate or Approved Fund of the Administrative Agent or the Syndication Agent of the Commitments held on the Closing Date by any such Affiliate or Approved Fund if such assignment is made within the first 60 days as part of the syndication of the Term Loan Facility; and *provided*, *further*, that the consent of each Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more Letters of Credit (whether or not then outstanding) and the consent of the Swing Loan Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the Revolving Credit Facility. Any such assignment need not be ratable as between the Term Loan Facility and the Revolving Credit Facility. Notwithstanding the foregoing or anything to the contrary set forth herein, any assignment of any Loans or Commitments to an Affiliated Lender shall also be subject to the requirements set forth in *clause (k)* below.

(b) The parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, together with any Note (if the assigning Lender's Loans are evidenced by a Note) subject to such assignment. Upon the

execution, delivery, acceptance and recording in the Register of any Assignment and Acceptance, the receipt by the Administrative Agent from the assignee of a processing and recordation fee in the amount of $3,500 (which fee may be waived in the sole discretion of the Administrative Agent) from and after the effective date specified in such Assignment and Acceptance and the receipt, to the extent required, of the consent from the Borrower and the Administrative Agent, (i) the assignee thereunder shall become a party hereto and, to the extent that rights and obligations under the Loan Documents have been assigned to such assignee pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender, and if such Lender were an Issuer, of such Issuer hereunder and thereunder, (ii) the Notes (if any) corresponding to the Loans assigned thereby shall be transferred to such assignee by notation in the Register and (iii) the assignor thereunder shall, to the extent that rights and obligations under this Agreement have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (except for those surviving the payment in full of the Obligations) and be released from its obligations under the Loan Documents, other than those relating to events or circumstances occurring prior to such assignment (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under the Loan Documents, such Lender shall cease to be a party hereto, but shall continue to be entitled to the benefits of *Section 2.14(c)* and *(d) (Special Provisions Governing Eurodollar Rate Loans), Section 2.15 (Capital Adequacy), Section 2.16 (Taxes), Section 11.3 (Costs and Expenses)* and *Section 11.4 (Indemnities, Reimbursement, Damage Waiver)* with respect to facts and circumstances occurring prior to the effective date of such assignment). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with *clause (f)* below.

(c) The Administrative Agent shall maintain at its address referred to in *Section 11.8 (Notices, Etc.)* a copy of each Assignment and Acceptance delivered to and accepted by it and shall record in the Register the names and addresses of the Lenders and Issuers and the principal amount (and related interest amounts) of the Loans and Reimbursement Obligations owing to each Lender from time to time and the Commitments of each Lender. Any assignment pursuant to this *Section 11.2* shall not be effective until such assignment is recorded in the Register. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender.

(d) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an assignee, the Administrative Agent shall, if such Assignment and Acceptance has been completed, (i) accept such Assignment and Acceptance, (ii) record or cause to be recorded the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower. Within 5 Business Days after its receipt of such notice, the Borrower, at its own expense, shall, if requested by such assignee, execute and deliver to the Administrative Agent new Notes to the order of such assignee in an amount equal to the Commitments and Loans assumed by it pursuant to such Assignment and Acceptance and, if the assigning Lender has surrendered any Note for exchange in connection with the assignment and has retained Commitments or Loans hereunder, new Notes to the order of the assigning Lender in an amount equal to the Commitments and Loans retained by it hereunder. Such new Notes shall be dated the same date as the surrendered Notes and be in substantially the form of *Exhibit B-1 (Form of Revolving Credit Note)* or *Exhibit B-2 (Form of Term Note)*, as applicable.

(e) In addition to the other assignment rights provided in this *Section 11.2*, each Lender may do each of the following:

(i) grant to a Special Purpose Vehicle the option to make all or any part of any Loan that such Lender would otherwise be required to make hereunder and the exercise of such option

by any such Special Purpose Vehicle and the making of Loans pursuant thereto shall satisfy (once and to the extent that such Loans are made) the obligation of such Lender to make such Loans thereunder, *provided*, *however*, that (x) nothing herein shall constitute a commitment or an offer to commit by such a Special Purpose Vehicle to make Loans hereunder and no such Special Purpose Vehicle shall be liable for any indemnity or other Obligation (other than the making of Loans for which such Special Purpose Vehicle shall have exercised an option, and then only in accordance with the relevant option agreement) and (y) such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain responsible to the other parties for the performance of its obligations under the terms of this Agreement, shall retain all voting rights and shall remain the holder of the Obligations for all purposes hereunder; and

(ii) assign, as collateral or otherwise, any of its rights under this Agreement, whether now owned or hereafter acquired (including rights to payments of principal or interest on the Loans), to (A) without notice to or consent of the Administrative Agent or the Borrower, any Federal Reserve Bank (pursuant to Regulation A of the Federal Reserve Board) and (B) without consent of the Administrative Agent or the Borrower, (1) any holder of, or trustee for the benefit of, the holders of such Lender's Securities and (2) any Special Purpose Vehicle to which such Lender has granted an option pursuant to *clause (i)* above;

provided, *however*, that no such assignment or grant shall release such Lender from any of its obligations hereunder except as expressly provided in *clause (i)* above and except, in the case of a subsequent foreclosure pursuant to an assignment as collateral, if such foreclosure is made in compliance with the other provisions of this *Section 11.2* other than this *clause (e)* or *clause (f)* below. Each party hereto acknowledges and agrees that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior debt of any such Special Purpose Vehicle, such party shall not institute against, or join any other Person in instituting against, any Special Purpose Vehicle that has been granted an option pursuant to this *clause (e)* any bankruptcy, reorganization, insolvency or liquidation proceeding (such agreement shall survive the payment in full of the Obligations). The terms of the designation of, or assignment to, such Special Purpose Vehicle shall not restrict such Lender's ability to, or grant such Special Purpose Vehicle the right to, consent to any amendment or waiver to this Agreement or any other Loan Document or to the departure by the Borrower or the Parent from any provision of this Agreement or any other Loan Document without the consent of such Special Purpose Vehicle except, as long as the Administrative Agent, Issuers, Lenders and other Secured Parties shall continue to, and shall be entitled to continue to, deal solely and directly with such Lender in connection with such Lender's obligations under this Agreement, to the extent any such consent would reduce the principal amount of, or the rate of interest on, any Obligations, amend this *clause (e)* or postpone any scheduled date of payment of such principal or interest. Each Special Purpose Vehicle shall be entitled to the benefits of *Section 2.14(c)* and *(d) (Special Provisions Governing Eurodollar Rate Loans)*, *Section 2.15 (Capital Adequacy)* and *Section 2.16 (Taxes)* as if it were such Lender (subject to the requirements and limitations of such Sections, including the requirement to provide the forms and certifications pursuant to *Section 2.16(f)*) *(Taxes)*; *provided*, *however*, that anything herein to the contrary notwithstanding, the Borrower shall not, at any time, be obligated to make under *Section 2.14(c)* or *(d) (Special Provisions Governing Eurodollar Rate Loans)*, *Section 2.15 (Capital Adequacy)* or *Section 2.16 (Taxes)* to any such Special Purpose Vehicle or any such Lender any payment in excess of the amount the Borrower would have been obligated to pay to such Lender in respect of such interest if such Special Purpose Vehicle had not been assigned the rights of such Lender hereunder, unless the assignment to such Special Purpose Vehicle is made with the Borrower's prior written consent (not to be unreasonably withheld or delayed); and *provided*, *further*, that such Special Purpose Vehicle shall have no direct right to enforce any of the terms of this Agreement against the Borrower, the Parent, the Administrative Agent, the Issuers, the other Lenders or the other Secured Parties.

(f) Each Lender may sell participations to one or more Persons (other than a natural person or a Defaulting Lender) in or to all or a portion of its rights and obligations under the Loan Documents (including all its rights and obligations with respect to the Term Loans, Revolving Loans and Letters of Credit). The terms of such participation shall not, in any event, require the participant's consent to any amendments, waivers or other modifications of any provision of any Loan Documents, the consent to any departure by any Loan Party therefrom, or to the exercising or refraining from exercising any powers or rights such Lender may have under or in respect of the Loan Documents (including the right to enforce the obligations of the Loan Parties), except if any such amendment, waiver or other modification or consent would (i) reduce the amount, or postpone any date fixed for, any amount (whether of principal, interest or fees) payable to such participant under the Loan Documents, to which such participant would otherwise be entitled under such participation or (ii) result in the release of all or substantially all of the Collateral. In the event of the sale of any participation by any Lender, (w) such Lender's obligations under the Loan Documents shall remain unchanged, (x) such Lender shall remain solely responsible to the other parties for the performance of such obligations, (y) such Lender shall remain the holder of such Obligations for all purposes of this Agreement and (z) the Borrower, the Parent, the Administrative Agent, the Issuers, the other Lenders and the other Secured Parties shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Each participant shall be entitled to the benefits of *Section 2.14(c)* and *(d) (Special Provisions Governing Eurodollar Rate Loans)*, *Section 2.15 (Capital Adequacy)* and *Section 2.16 (Taxes)* as if it were a Lender (subject to the requirements and limitations of such Sections, including the requirement to provide the forms and certifications pursuant to *Section 2.16(f)*) *(Taxes)*; *provided, however*, that anything herein to the contrary notwithstanding, the Borrower shall not, at any time, be obligated to make under *Section 2.14(c)* or *(d) (Special Provisions Governing Eurodollar Rate Loans)*, *Section 2.15 (Capital Adequacy)* or *Section 2.16 (Taxes)* to the participants in the rights and obligations of any Lender (together with such Lender) any payment in excess of the amount the Borrower would have been obligated to pay to such Lender in respect of such interest had such participation not been sold, unless the sale of the participation to such participant is made with the Borrower's prior written consent (not to be unreasonably withheld or delayed), and *provided, further*, that such participant in the rights and obligations of such Lender shall have no direct right to enforce any of the terms of this Agreement against the Borrower, the Parent, the Administrative Agent, the Issuers, the other Lenders or the other Secured Parties. The Loan Parties and each Affiliated Lender (solely by its ownership of a participation in any Lender's rights and/or obligations under this Agreement) hereby agree that if a case under Title 11 of the Bankruptcy Code of the United States is commenced against any Loan Party, to the extent that any Affiliated Lender would have the right to direct any participant with respect to any vote with respect to any plan of reorganization with respect to any Loan Party (or to directly vote on such plan of reorganization) as a result of any participation taken by such Affiliated Lender pursuant to this *clause (f)*, such Loan Party shall seek (and each Affiliated Lender shall consent) to provide that the vote of any Affiliated Lender (solely in its capacity as a participant) with respect to any plan of reorganization of such Loan Party shall not be counted except that such Affiliated Lender's vote (in its capacity as a participant) may be counted to the extent any such plan of reorganization proposes to treat the participation in any Obligations held by such Affiliated Lender in a manner that is less favorable in any material respect to such Affiliated Lender than the proposed treatment of similar Obligations held by Lenders or participants that are not Affiliates of the Borrower. Each Affiliated Lender hereby irrevocably appoints the Administrative Agent (such appointment being coupled with an interest) as such Affiliated Lender's attorney-in-fact, with full authority in the place and stead of such Affiliated Lender and in the name of such Affiliated Lender, from time to time in the Administrative Agent's discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this paragraph.

(g) Any Issuer may at any time assign its rights and obligations hereunder to any other Lender by an instrument in form and substance satisfactory to the Borrower, the Administrative

Agent, such Issuer and such Lender, subject to the provisions of *Section 2.7(b) (Evidence of Debt)* relating to notations of transfer in the Register. If any Issuer ceases to be a Lender hereunder by virtue of any assignment made pursuant to this *Section 11.2*, then, as of the effective date of such cessation, such Issuer's obligations to Issue Letters of Credit pursuant to *Section 2.4 (Letters of Credit)* shall terminate and such Issuer shall be an Issuer hereunder only with respect to outstanding Letters of Credit issued prior to such date.

(h) Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and related interest amounts) of each participant's interest in the Loans and Reimbursement Obligations or other obligations under this Agreement (the "*Participant Register*"). The entries in the Participant Register shall be conclusive, absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(i) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Loans in accordance with its Ratable Portion. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(j) Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Revolving Credit Commitment and Revolving Loans pursuant to *Section 11.2(a) (Assignments and Participations)*, Bank of America may (i) upon 30 days' notice to the Borrower and the Lenders, resign as an Issuer and/or (ii) upon 30 days' notice to the Borrower, resign as Swing Loan Lender. In the event of any such resignation as Issuer or Swing Loan Lender, the Borrower shall be entitled to appoint from among the Lenders a successor Issuer or Swing Loan Lender hereunder; *provided*, *however*, that no failure by the Borrower to appoint any such successor shall affect the resignation of Bank of America as Issuer or Swing Loan Lender, as the case may be. If Bank of America resigns as Issuer, it shall retain all the rights, powers, privileges and duties and obligations of an Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as Issuer and all Letter of Credit Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Letter of Credit Obligations pursuant to *Section 2.4(d) (Letters of Credit)*). If Bank of America resigns as Swing Loan Lender, it shall retain all the rights of the Swing Loan Lender provided for hereunder with respect to Swing Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Loans pursuant to *Section 2.3(e) (Swing Loans)*. Upon the appointment of a successor Issuer and/or Swing Loan Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and obligations and duties of the retiring Issuer or Swing Loan Lender, as the case may be, and (b) the successor Issuer shall issue letters of credit in substi-

tution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

(k) (i) Notwithstanding anything else to the contrary contained in this Agreement, any Lender may assign all or a portion of its Term Loans to any Affiliated Lender in accordance with *clause (a)* above; *provided* that:

(A) no Default or Event of Default has occurred or is continuing or would result therefrom;

(B) the assigning Lender and Affiliated Lender purchasing such Lender's Term Loans shall execute and deliver to the Administrative Agent an assignment agreement substantially in the form of *Exhibit O* hereto (an "*Affiliated Lender Assignment and Acceptance*") in lieu of an Assignment and Acceptance;

(C) for the avoidance of doubt, Lenders shall not be permitted to assign Revolving Credit Commitments or Revolving Loans to any Affiliated Lender; and

(D) no Term Loan may be assigned to an Affiliated Lender pursuant to this *clause (k)*, if after giving effect to such assignment, Affiliated Lenders in the aggregate would own in excess of 10% of all Term Loans then outstanding.

(ii) Notwithstanding anything to the contrary in this Agreement, no Affiliated Lender shall have any right to (i) attend (including by telephone) any meeting or discussions (or portion thereof) among the Administrative Agent or any Lender to which representatives of the Loan Parties are not invited, and (ii) receive any information or material prepared by Administrative Agent or any Lender or any communication by or among Administrative Agent and/or one or more Lenders, except to the extent such information or materials have been made available to any Loan Party or its representatives (and in any case, other than the right to receive notices of prepayments and other administrative notices in respect of its Loans required to be delivered to Lenders pursuant to *Article II (the Facilities)*), or (iii) make or bring (or participate in, other than as a passive participant in or recipient of its pro rata benefits of) any claim, in its capacity as a Lender, against the Administrative Agent or any other Lender with respect to any duties or obligations or alleged duties or obligations of such Agent or any other such Lender under the Loan Documents.

Section 11.3 Costs and Expenses

(a) The Borrower agrees upon demand (but within 10 days after delivery of notice for any such amounts arising after the Closing Date) to pay, or reimburse the Administrative Agent and the Syndication Agent for, all of such Agent's reasonable audit, legal, appraisal, valuation, filing, document duplication and reproduction and investigation expenses and for all other reasonable out-of-pocket costs and expenses of every type and nature (including the reasonable fees, expenses and disbursements of the Administrative Agent's counsel, Cahill Gordon & Reindel LLP, local legal counsel, auditors, accountants, appraisers, printers, insurance and environmental advisors, and other consultants and agents) incurred by such Agent in connection with any of the following: (i) in the case of the Administrative Agent, the Administrative Agent's audit and investigation of the Parent and its Subsidiaries in connection with the preparation, negotiation or execution of any Loan Document or the Administrative Agent's periodic audits of the Parent or any of its Subsidiaries, as the case may be, (ii) the preparation, negotiation, execution or interpretation of this Agreement (including, without limitation, the satisfaction or attempted satisfaction of any condition set forth in *Article III (Conditions to Loans and Letters of Credit)*), any Loan

Document or any proposal letter or commitment letter issued in connection therewith, or the making of the Loans hereunder, (iii) the creation, perfection or protection of the Liens under any Loan Document (including any reasonable fees, disbursements and expenses for local counsel in various jurisdictions), (iv) the ongoing administration of this Agreement and the Loans, including consultation with attorneys in connection therewith and with respect to such Agent's rights and responsibilities hereunder and under the other Loan Documents, (v) the protection, collection or enforcement of any Obligation or the enforcement of any Loan Document, (vi) the commencement, defense or intervention in any court proceeding relating in any way to the Obligations, any Loan Party, any of the Parent's Subsidiaries, the Transactions, the Senior Notes Documents, this Agreement or any other Loan Document, (vii) the response to, and preparation for, any subpoena or request for document production with which such Agent is served or deposition or other proceeding in which such Agent is called to testify, in each case, relating in any way to the Obligations, any Loan Party, any of the Parent's Subsidiaries, the Senior Notes Documents, this Agreement or any other Loan Document or (viii) any amendment, consent, waiver, assignment, restatement, or supplement to any Loan Document or the preparation, negotiation and execution of the same (whether or not it becomes effective); *provided*, *however*, that, (x) the Administrative Agent may not be reimbursed hereunder for the expenses of more than one outside counsel and, any reasonably appropriate local and special counsels and (y) the Borrower shall not be required to pay for the fees and expenses of any third party consultant, appraiser or auditor advising any Agent without the consent of the Borrower (which consent shall not be unreasonably withheld).

(b) The Borrower further agrees to pay or reimburse each of the Agents, Lenders and Issuers upon demand for all out-of-pocket costs and expenses, including reasonable attorneys' fees (including costs of settlement), incurred by each such Agent, Lender or Issuer in connection with any of the following: (i) in enforcing any Loan Document or Obligation or any security therefor or exercising or enforcing any other right or remedy available by reason of an Event of Default, (ii) in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "*work-out*" or in any insolvency or bankruptcy proceeding, (iii) in commencing, defending or intervening in any litigation or in filing a petition, complaint, answer, motion or other pleadings in any legal proceeding relating to the Obligations, any Loan Party, any of the Parent's Subsidiaries and related to or arising out of the transactions contemplated hereby (including the Transactions) or by any other Loan Document or Senior Notes Document or (iv) in taking any other action in or with respect to any suit or proceeding (bankruptcy or otherwise) described in *clause (i)*, *(ii)* or *(iii)* above.

Section 11.4 Indemnities, Reimbursement, Damage Waiver

(a) The Borrower agrees to indemnify and hold harmless each Agent, each Arranger, each Lender and each Issuer (including each Person obligated on a Hedging Contract the obligations under which are Secured Hedging Contract Obligations if such Person was a Lender or Issuer at the time it entered into such Hedging Contract) and each of their respective Affiliates, and each of the directors, officers, employees, agents, trustees, representatives, attorneys, consultants and advisors of or to any of the foregoing (including those retained in connection with the satisfaction or attempted satisfaction of any condition set forth in *Article III (Conditions to Loans and Letters of Credit)* (each such Person being an "*Indemnitee*") from and against any and all claims, damages, liabilities, obligations, losses, penalties, actions, judgments, suits, and reasonable out-of-pocket costs, disbursements and expenses, joint or several, of any kind or nature (including reasonable fees, disbursements and expenses of financial and legal advisors to any such Indemnitee) that may be imposed on, incurred by or asserted against any such Indemnitee whether direct, indirect, or consequential and whether based on any federal, state or local law or other statutory regulation, securities or commercial law or regulation, or under common law or in equity, or on contract, tort or otherwise, in any manner relating to or arising out of this Agreement, any other Loan Document, any Obligation, any Letter of Credit, any Disclosure Document, any Senior Notes Document,

the Transactions or any act, event or transaction, or investigation, litigation or proceeding, related or attendant to any thereof, or the use or intended use of the proceeds of the Loans or Letters of Credit or in connection with any investigation of any potential matter covered hereby (collectively, the "*Indemnified Matters*"); *provided*, *however*, that the Borrower shall not have any liability under this *Section 11.4* to an Indemnitee with respect to any Indemnified Matter to the extent such Indemnified Matter has resulted from the gross negligence, bad faith or willful misconduct of that Indemnitee, as determined by a court of competent jurisdiction in a final non-appealable judgment or order; and *provided*, *further*, that the Borrower shall not be required to reimburse the Administrative Agent for the expenses of more than one counsel (and appropriate local and special counsels) or the other Indemnitees for the expenses of more than one counsel (and appropriate local and special counsels) for all such other Indemnitees. Without limiting the foregoing, "*Indemnified Matters*" include (i) all Environmental Liabilities and Costs relating to the Parent or any of its Subsidiaries, (ii) any costs or liabilities incurred in connection with any Remedial Action relating to the Parent or any of its Subsidiaries, (iii) any costs or liabilities incurred in connection with any Environmental Lien and (iv) any costs or liabilities incurred in connection with any other matter under any Environmental Law, including CERCLA and FIFRA and applicable state property transfer laws, except with respect to those matters referred to in *clauses (i)*, *(ii)*, *(iii)* and *(iv)* above, to the extent (x) incurred following foreclosure by any Agent, any Lender or any Issuer, or any Agent, any Lender or any Issuer having become the successor in interest to the Parent or any of its Subsidiaries and (y) attributable solely to acts of such Agent, such Lender or such Issuer or any agent on behalf of such Agent, such Lender or such Issuer.

(b) The Borrower shall indemnify each Agent, Lender and Issuer for, and hold each Agent, Lender and Issuer harmless from and against, any and all claims for brokerage commissions, fees and other compensation made against the Agents, the Lenders and the Issuers for any broker, finder or consultant with respect to any agreement, arrangement or understanding made by or on behalf of any Loan Party or any of its Subsidiaries in connection with the transactions contemplated by this Agreement.

(c) Each of the Borrower and the Parent, at the request of any Indemnitee, shall have the obligation to defend, and to cause each of their Subsidiaries to defend, against any investigation, litigation or proceeding or requested Remedial Action, in each case contemplated in *clause (a)* above, and the Borrower, the Parent and each such Subsidiary, in any event, may participate in the defense thereof with legal counsel of the Borrower's, the Parent's or such Subsidiary's choice. In the event that such Indemnitee requests the Borrower, the Parent or any such Subsidiary to defend against such investigation, litigation or proceeding or requested Remedial Action, the Borrower, the Parent or such Subsidiary shall promptly do so and such Indemnitee shall have the right to have legal counsel of its choice participate in such defense. No action taken by legal counsel chosen by such Indemnitee in defending against any such investigation, litigation or proceeding or requested Remedial Action, shall vitiate or in any way impair the Borrower's obligation and duty hereunder to indemnify and hold harmless such Indemnitee.

(d) Each of the Borrower and the Parent agrees, and shall cause each of their Subsidiaries to agree, that any indemnification or other protection provided to any Indemnitee pursuant to this Agreement (including pursuant to this *Section 11.4*) or any other Loan Document shall (i) survive payment in full of the Obligations and (ii) inure to the benefit of any Person that was at any time an Indemnitee under this Agreement or any other Loan Document.

(e) To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under *Sections 11.3 (Costs and Expenses)* and *clause (a)* above to be paid by it to the Administrative Agent (or any sub-agent thereof), the Issuers or any Affiliates and the partners, directors, officers, employees, agents, trustees and advisors of any of the foregoing (and without limiting the Borrower's obligation to do so), each Lender severally agrees to pay to the Administrative Agent (or any such

sub-agent), the Issuers or such Affiliates, the partners, directors, officers, employees, agents, trustees and advisors, as the case may be, such Lender's applicable percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the Issuers in its capacity as such, or against any Affiliate, partners, director, officer, employee, agent, trustee and advisor of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or the Issuers in connection with such capacity and *provided further* that the obligation to indemnify the Issuers pursuant to this *clause (e)* in their capacity as such shall be limited to Revolving Credit Lenders only. The obligations of the Lenders under this *clause (e)* are subject to the provisions of *Section 2.2(d) (Borrowing Procedures)*.

(f) To the fullest extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in *clause (a)* above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

Section 11.5 Limitation of Liability

(a) Each of the Borrower and the Parent agree that no Indemnitee shall have any liability (whether in contract, tort or otherwise) to any Loan Party or any Subsidiary of any Loan Party or any of their respective equity holders or creditors for or in connection with the transactions contemplated hereby (including the Transactions) or by any other Loan Document or Senior Notes Document, except to the extent such liability is determined in a final non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnitee's gross negligence, bad faith or willful misconduct. In no event, however, shall any party hereto be liable on any theory of liability for any special, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings). Each of the parties hereto hereby waives, releases and agrees (each for itself and on behalf of its Subsidiaries) not to sue upon any such claim for any special, consequential or punitive damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(b) In no event shall any Agent or any of its Affiliates or any of the directors, officers, employees, agents, trustees, representatives, attorneys, consultants and advisors of or to any of the foregoing (collectively, the "*Agent Affiliates*") have any liability to any Loan Party, Lender, Issuer or any other Person for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort or contract or otherwise) arising out of any Loan Party's or the Administrative Agent's or any Agent Affiliates' transmission of electronic communications through the internet or any use of the Platform, except to the extent such liability of any Agent Affiliate is found in a final non-appealable judgment by a court of competent jurisdiction to have resulted form the Administrative Agent's or such Agent Affiliate's gross negligence, bad faith or willful misconduct.

Section 11.6 Right of Set-off

Upon the occurrence and during the continuance of any Event of Default each Lender and each Affiliate of a Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other Indebtedness at any time owing by such Lender or its Affiliates to or for the credit or the account of the Parent or the Borrower against any and all of the Obligations now or hereafter existing whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and even though such Obligations may be unmatured; *provided*, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of *Section 2.18 (Defaulting Lenders)* and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. Each Lender agrees promptly to notify the Borrower after any such set-off and application made by such Lender or its Affiliates; *provided*, *however*, that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Lender under this *Section 11.6* are in addition to the other rights and remedies (including other rights of set-off) that such Lender may have.

Section 11.7 Sharing of Payments, Etc.

(a) If any Lender (directly or through an Affiliate thereof) obtains any payment (whether voluntary, involuntary, through the exercise of any right of set-off (including pursuant to *Section 11.6 (Right of Set-off)* or otherwise) of the Loans owing to it, any interest thereon, fees in respect thereof or amounts due pursuant to *Section 11.3 (Costs and Expenses)* or *11.4 (Indemnities)* (other than payments pursuant to *Sections 2.14 (Special Provisions Governing Eurodollar Rate Loans)*, *2.15 (Capital Adequacy)* or *2.16 (Taxes)* or otherwise receives any Collateral or any "*Proceeds*" (as defined in the Pledge and Security Agreement) of Collateral (other than payments pursuant to *Sections 2.14 (Special Provisions Governing Eurodollar Rate Loans)*, *2.15 (Capital Adequacy)* or *2.16 (Taxes)* (in each case, whether voluntary, involuntary, through the exercise of any right of set-off or otherwise (including pursuant to *Section 11.6 (Right of Set-off)*)) in excess of its Ratable Portion of all payments of such Obligations obtained by all the Lenders (other than as expressly provided in *Section 2.8(c) (Optional Prepayments)*, such Lender (a "*Purchasing Lender*") shall forthwith purchase from the other Lenders (each, a "*Selling Lender*") such participations in their Loans or other Obligations as shall be necessary to cause such Purchasing Lender to share the excess payment ratably with each of them.

(b) If all or any portion of any payment received by a Purchasing Lender is thereafter recovered from such Purchasing Lender, such purchase from each Selling Lender shall be rescinded and such Selling Lender shall repay to the Purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Selling Lender's ratable share (according to the proportion of (i) the amount of such Selling Lender's required repayment in relation to (ii) the total amount so recovered from the Purchasing Lender) of any interest or other amount paid or payable by the Purchasing Lender in respect of the total amount so recovered.

(c) The provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of cash collateral in respect of obligations relating to Letters of Credit or Swing Loans pro-

vided for in *Section 9.3 (Actions in Respect of Letters of Credit)*, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in Letter of Credit Obligations or Swing Loans to any assignee or participant, other than an assignment to the Parent or any of its Subsidiaries (as to which the provisions of this Section shall apply).

(d) The Parent and the Borrower agree that any Purchasing Lender so purchasing a participation from a Selling Lender pursuant to this *Section 11.7* may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

Section 11.8 Notices, Etc.

(a) *Addresses for Notices*. All notices, demands, requests, consents and other communications provided for in this Agreement shall be given in writing, or by any telecommunication device capable of creating a written record (including electronic mail), and addressed to the party to be notified as follows:

(i) if to the Borrower or the Parent:

c/o Prestige Brands, Inc.
90 North Broadway
Irvington, New York 10533

Attention:

Peter J. Anderson
Telecopy no: (914) 524-6821
E-Mail Address: panderson@prestigebrandsinc.com

and

Charles N. Jolly, Esq.
Telecopy no: (914) 524-7488
E-Mail Address: cjolly@prestigebrandsinc.com

(ii) if to any Lender, at its Domestic Lending Office specified opposite its name on *Schedule II (Applicable Lending Offices and Addresses for Notices)* or on the signature page of any applicable Assignment and Acceptance;

(iii) if to any Issuer, at the address set forth under its name on *Schedule II (Applicable Lending Offices and Addresses for Notices)*; and

(iv) if to the Administrative Agent or the Swing Loan Lender, at the address set forth under its name on *Schedule II (Applicable Lending Offices and Addresses for Notices)*;

or at such other address as shall be notified in writing (x) in the case of the Borrower, the Parent, the Administrative Agent and the Swing Loan Lender, to the other parties and (y) in the case of all other parties, to the Borrower and the Administrative Agent.

(b) *Effectiveness of Notices*. All notices, demands, requests, consents and other communications described in *clause (a)* above shall be effective (i) if delivered by hand, including any overnight courier service, upon personal delivery, (ii) if delivered by mail, when deposited in the mails, (iii) if delivered by posting to the Platform (regardless of whether any such Person must accomplish, and

whether or not any such Person shall have accomplished, any action prior to obtaining access to such items, including registration, disclosure of contact information, compliance with a standard user agreement or undertaking a duty of confidentiality) and (iv) if delivered by electronic mail or any other telecommunications device, as set forth in *clause (c)* below; *provided*, *however*, that notices and communications to the Administrative Agent pursuant to *Article II (The Facilities)* or *Article X (The Agents)* shall not be effective until received by the Administrative Agent.

(c) *Electronic Communications*. Notices and other communications to the Lenders and the Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender or any Issuer pursuant to *Article II (the Facilities)* if such Lender or such Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(d) *Public Lenders*. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States federal and state securities laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

Section 11.9 No Waiver; Remedies

No failure on the part of any Lender, Issuer or any Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 11.10 Binding Effect

This Agreement shall become effective when it shall have been executed by the Borrower, the Parent, the Administrative Agent and the Syndication Agent and when the Administrative Agent shall have been notified by each Lender and Issuer that such Lender or Issuer has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, the Parent, each Agent and each Lender and Issuer and, in each case, their respective successors and assigns; *provided*, *however*, that nei-

ther the Borrower nor the Parent shall have the right to assign any of their respective rights hereunder or any interest herein without the prior written consent of the Lenders.

Section 11.11 Governing Law

This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

Section 11.12 Submission to Jurisdiction; Service of Process

(a) Any legal action or proceeding with respect to this Agreement or any other Loan Document may be brought in the courts of the State of New York located in the Borough and City of New York or of the United States of America for the Southern District of New York, and, by execution and delivery of this Agreement, each of the Borrower and the Parent hereby accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens*, that any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions.

(b) Each party hereto irrevocably consents to service of process in the manner provided for notices in *Section 11.8 (Notices, Etc.)*. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

(c) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in Dollars into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase Dollars with such other currency at the spot rate of exchange quoted by the Administrative Agent at 11:00 a.m. (New York time) on the Business Day preceding that on which final judgment is given, for the purchase of Dollars, for delivery two Business Days thereafter.

Section 11.13 Waiver of Jury Trial

EACH OF THE AGENTS, THE LENDERS, THE ISSUERS, THE PARENT AND THE BORROWER IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT.

Section 11.14 Marshaling; Payments Set Aside

None of the Agents, Lenders or Issuers shall be under any obligation to marshal any assets in favor of the Borrower, the Parent or any other party or against or in payment of any or all of the Obligations. To the extent that the Borrower makes a payment or payments to any Agent, Lender or Issuer or any such Person receives payment from the proceeds of the Collateral or exercises its rights of set-off, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party, then to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, right and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

Section 11.15 Section Titles

The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto, except when used to reference a section. Any reference to the number of a clause, sub-clause or subsection hereof immediately followed by a reference in parenthesis to the title of the Section containing such clause, sub-clause or subsection is a reference to such clause, sub-clause or subsection and not to the entire Section; *provided*, *however*, that, in case of direct conflict between the reference to the title and the reference to the number of such Section, the reference to the title shall govern absent manifest error. If any reference to the number of a Section (but not to any clause, sub-clause or subsection thereof) is followed immediately by a reference in parenthesis to the title of a Section, the title reference shall govern in case of direct conflict absent manifest error.

Section 11.16 Execution in Counterparts

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed signature page of this Agreement by facsimile transmission or by posting on the Platform shall be as effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all parties shall be lodged with the Borrower and the Administrative Agent.

Section 11.17 Entire Agreement

This Agreement, together with all of the other Loan Documents and all certificates and documents delivered hereunder or thereunder, embodies the entire agreement of the parties and supersedes all prior agreements and understandings relating to the subject matter hereof. In the event of any conflict between the terms of this Agreement and any other Loan Document, the terms of this Agreement shall govern.

Section 11.18 Confidentiality

Each Lender and each Agent agrees to keep information obtained by it pursuant hereto and the other Loan Documents confidential in accordance with such Lender's or such Agent's, as the case may be, customary practices and agrees that it shall only use such information in connection with the transactions contemplated by this Agreement and not disclose any such information other than (a) to such Lender's or such Agent's, as the case may be, Affiliates, employees, representatives and agents that are or are expected to be involved in the evaluation of such information in connection with the transactions contemplated by this Agreement and are advised of the confidential nature of such information and agree to be bound by the provisions hereof for the benefit of the Borrower, (b) to the extent such information presently is or hereafter becomes available to such Lender or such Agent, as the case may be, on a non-confidential basis from a source other than the Parent, the Borrower or any other Loan Party and do not reasonably suspect that such information is disclosed in violation of a confidentiality agreement or is otherwise unauthorized, (c) to the extent disclosure is required by law, regulation or judicial order or requested or required by bank regulators or auditors, as long as, to the extent permitted by Requirements of Law, notice thereof is given to the Borrower by the applicable Lender or Agent prior to (or, in the case of a judicial order, promptly after) such disclosure; *provided* that no such notice shall be required to the extent such disclosure is required by bank regulators for customary reviews in the ordinary course of business, or (d) to current or good faith prospective assignees, participants and Special Purpose Vehicles

grantees of any option described in *Section 11.2(f) (Assignments and Participations)*, contractual counterparties in any Hedging Contract permitted hereunder and to their respective legal or financial advisors, in each case and to the extent such assignees, participants, grantees or counterparties agree to be bound by, and to cause their advisors to comply with, the provisions of this *Section 11.18*.

For purposes of this Section, "*information*" means all information received from any Loan Party or any Subsidiary thereof relating to any Loan Party or any Subsidiary thereof or their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the Issuers on a nonconfidential basis prior to disclosure by any Loan Party or any Subsidiary thereof, *provided* that, in the case of information received from a Loan Party or any such Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Lenders and the Issuers acknowledges that (a) the information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

Section 11.19 Severability

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this *Section 11.19*, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, the Issuers or the Swing Loan Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 11.20 USA PATRIOT Act

Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "*Act*"), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Act.

Section 11.21 Interest Rate Limitation

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Requirements of Law (the "*Maximum Rate*"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Requirements of Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

[Signature Pages Follow]

In Witness Whereof, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

Prestige Brands, Inc.,
as Borrower

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

Prestige Brands Holdings, Inc.,
as the Parent

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

[SIGNATURE PAGE TO PRESTIGE BRANDS, INC. CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as Administrative Agent,
Swing Loan Lender, Issuer and Lender

By: /s/ J. Casey Cosgrove
Name: J. Casey Cosgrove
Title: Senior Vice President

DEUTSCHE BANK SECURITIES INC.,
as Syndication Agent,

By: /s/ Scott Sartorios
Name: Scott Sartorios
Title: Managing Director

By: /s/ Sandeep Desai
Name: Sandeep Desai
Title: Director

DEUTSCHE BANK TRUST COMPANY AMERICAS,
as a Lender

By: /s/ Scottye Lindsey
Name: Scottye Lindsey
Title: Director

By: /s/ Carin Keegan
Name: Carin Keegan
Title: Director

[SIGNATURE PAGE TO PRESTIGE BRANDS, INC. CREDIT AGREEMENT]

Exhibit 10.2

EXECUTION VERSION

PLEDGE AND SECURITY AGREEMENT

Dated as of March 24, 2010

among

PRESTIGE BRANDS, INC.
as a Grantor

and

Each Other Grantor
From Time to Time Party Hereto

and

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

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THE ADMINISTRATIVE AGENT

ARTICLE VII

MISCELLANEOUS

Pledge and Security Agreement, dated as of March 24, 2010, by Prestige Brands, Inc., a Delaware corporation (the "*Borrower*"), and each of the other entities listed on the signature pages hereof or that becomes a party hereto pursuant to *Section 7.10 (Additional Grantors)* (each, a "*Grantor*" and, collectively, the "*Grantors*"), in favor of Bank of America, N.A. ("*Bank of America*"), as administrative agent for the Lenders and the Issuers and collateral agent for the Secured Parties (in such capacity, the "*Administrative Agent*").

Witnesseth:

Whereas, pursuant to the Credit Agreement, of even date herewith (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), among the Borrower, Prestige Brands Holdings, Inc., a Delaware corporation (the "*Parent*"), the Lenders and Issuers party thereto, the Administrative Agent and the other parties listed therein, the Lenders and the Issuers have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

Whereas, the Grantors other than the Borrower are party to the Guaranty pursuant to which they have guaranteed the Obligations (as defined in the Credit Agreement); and

Whereas, it is a condition precedent to the obligation of the Lenders and the Issuers to make their respective extensions of credit to the Borrower under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Administrative Agent.

Now, therefore, in consideration of the premises and to induce the Lenders, the Issuers, the Administrative Agent, and the Syndication Agent to enter into the Credit Agreement and to induce the Lenders and the Issuers to make their respective extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Administrative Agent as follows:

ARTICLE I

Defined Terms

Section 1.1 Definitions

(a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein have the meanings given to them in the Credit Agreement.

(b) Terms used herein without definition that are defined in the UCC have the meanings given to them in the UCC, including the following terms (which are capitalized herein):

"*Account Debtor*"
"*Account*"
"*Certificated Security*"
"*Chattel Paper*"
"*Commercial Tort Claim*"
"*Control Account*"
"*Deposit Account*"
"*Documents*"
"*Entitlement Holder*"
"*Entitlement Order*"
"*Equipment*"

"*Financial Asset*"
"*General Intangible*"
"*Goods*"
"*Instruments*"
"*Inventory*"
"*Investment Property*"
"*Letter-of-Credit Right*"
"*Proceeds*"
"*Securities Account*"
"*Securities Intermediary*"
"*Security*"
"*Security Entitlement*"
"*Supporting Obligations*"
"*Tangible Chattel Paper*"

(c) The following terms shall have the following meanings:

"*Additional Pledged Collateral*" means any Pledged Collateral acquired by any Grantor after the date hereof and in which a security interest is granted pursuant to *Section 2.2 (Grant of Security Interest in Collateral)*, including, to the extent a security interest is granted therein pursuant to *Section 2.2 (Grant of Security Interest in Collateral)*, (i) all Stock and Stock Equivalents of any Person that are acquired by any Grantor after the date hereof, together with all certificates, instruments or other documents representing any of the foregoing and all Security Entitlements of any Grantor in respect of any of the foregoing, (ii) all additional Indebtedness from time to time owed to any Grantor by any obligor on the Pledged Debt Instruments and the Instruments evidencing such Indebtedness and (iii) all interest, cash, Instruments and other property or Proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any of the foregoing. "*Additional Pledged Collateral*" may be General Intangibles, Instruments or Investment Property.

"*Agreement*" means this Pledge and Security Agreement.

"*Collateral*" has the meaning specified in *Section 2.1* (*Collateral*).

"*Copyright Licenses*" means any written agreement naming any Grantor as licensor or licensee granting any right under any Copyright, including the grant of any right to copy, publicly perform, create derivative works, manufacture, distribute, exploit or sell materials derived from any Copyright.

"*Copyrights*" means (a) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof (or any treaty or international organization or body or political subdivision thereof), whether registered or unregistered and whether published or unpublished, all registrations and recordings thereof and all applications in connection therewith, including all registrations, recordings and applications in the United States Copyright Office or in any foreign counterparts thereof, and (b) the right to obtain all renewals thereof.

"*Deposit Account Control Agreement*" means an agreement, in form and substance reasonably acceptable to the Administrative Agent, executed by the relevant Grantor, the Administrative Agent and the relevant financial institution and granting "control" (within the meaning of the UCC) over the Deposit Account, subject to such agreement, to the Administrative Agent.

"*Excluded Equity*" means any Voting Stock in excess of 65% of the total outstanding Voting Stock of any Excluded Foreign Subsidiary. For the purposes of this definition, "*Voting Stock*"

means, as to any issuer, the issued and outstanding shares of each class of capital stock or other ownership interests of such issuer entitled to vote (within the meaning of Treasury Regulations § 1.956-2(c)(2)).

"*Excluded Property*" means, collectively, (i) Excluded Equity, (ii) any permit, lease, license, contract, instrument or other agreement held by any Grantor that prohibits or requires the consent of any Person other than the Borrower and its Affiliates as a condition to the creation by such Grantor of a Lien thereon, or any permit, lease, license contract or other agreement held by any Grantor to the extent that any Requirement of Law applicable thereto prohibits the creation of a Lien thereon, but only, in each case, to the extent, and for so long as, such prohibition is not terminated or rendered unenforceable or otherwise deemed ineffective by the UCC or any other Requirement of Law, (iii) Equipment owned by any Grantor that is subject to a purchase money Lien or a Capital Lease permitted by the Credit Agreement if the contract or other agreement in which such Lien is granted (or in the documentation providing for such Capital Lease) prohibits or requires the consent of any Person other than the Borrower and its Affiliates as a condition to the creation of any other Lien on such Equipment, (iv) each U.S. application to register any Trademark prior to the filing under applicable law of a verified statement of use (or equivalent) for such Trademark, (v) any assets subject to the Lien permitted by Section 8.2(g) of the Credit Agreement if the contract or other agreement in which such Lien is granted prohibits another Lien on such assets and (vi) cash held in a Deposit Account to the extent they are excluded from being maintained in an Approved Deposit Account pursuant to clause (x) of the proviso to Section 7.12(a) of the Credit Agreement; *provided*, *however*, that "*Excluded Property*" shall not include any Proceeds, substitutions or replacements of Excluded Property (unless such Proceeds, substitutions or replacements would constitute Excluded Property).

"*Intellectual Property*" means, collectively, all rights, priorities and privileges of any Grantor relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including Copyrights, Copyright Licenses, Patents, Patent Licenses, Trademarks, Trademark Licenses, trade secrets and Internet domain names, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

"*Joinder Agreement*" means the joinder agreement, in substantially the form of *Annex 2 (Form of Joinder Agreement)*, executed by a Grantor.

"*LLC*" means each limited liability company in which a Grantor has an interest, including those set forth on *Schedule 2* (*Pledged Collateral, Instruments and Chattel Paper*).

"*LLC Agreement*" means each operating agreement with respect to a LLC, as each agreement has heretofore been, and may hereafter be, amended, restated, supplemented or otherwise modified from time to time.

"*Material Intellectual Property*" means Intellectual Property owned by or licensed to a Grantor and material to the conduct of any Grantor's business.

"*paid in full*" and "*payment in full*" means, with respect to any Secured Obligation, the occurrence of all of the foregoing, (a) with respect to such Secured Obligations other than (i) contingent indemnification obligations, Secured Hedging Contract Obligations and Secured Cash Management Obligations not then due and payable and (ii) to the extent covered by *clause (b)* below, obligations with respect to undrawn Letters of Credit, payment in full thereof in cash (or otherwise to the written satisfaction of the Secured Parties owed such Secured Obligations), (b) with respect to any undrawn Letter of Credit, the obligations under which are included in such Secured Obligations, (i) the cancellation thereof and payment in full of all resulting Secured Obligations pursuant to *clause (a)* above or (ii) the receipt of cash

collateral (or a backstop letter of credit in respect thereof on terms acceptable to the applicable Issuer of the Letters of Credit and the Administrative Agent) in an amount at least equal to 102% of the Letter of Credit Obligations for such Letter of Credit and (c) if such Secured Obligations consist of all the Secured Obligations in one or more Facilities, termination of all Commitments and all other obligations of the Secured Parties in respect of such Facilities under the Loan Documents.

"*Partnership*" means each partnership in which a Grantor has an interest, including those set forth on *Schedule 2* (*Pledged Collateral, Instruments and Chattel Paper*).

"*Partnership Agreement*" means each partnership agreement governing a Partnership, as each such agreement has heretofore been, and may hereafter be, amended, restated, supplemented or otherwise modified.

"*Patents*" means (a) all letters patent of the United States, any other country or any political subdivision thereof (or any treaty or international organization or body or political subdivision thereof) and all reissues and extensions thereof, (b) all applications for letters patent of the United States or any other country or any political subdivision thereof (or any treaty or international organization or body or political subdivision thereof) and all divisionals, continuations and continuations-in-part thereof and (c) all rights to obtain any reissues or extensions of any of the foregoing.

"*Patent License*" means all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, have manufactured, use, import, sell or offer for sale any invention covered in whole or in part by a Patent.

"*Pledge Amendment*" means the pledge amendment, in substantially the form of *Annex 1 (Form of Pledge Amendment)*, executed by a Grantor.

"*Pledged Certificated Stock*" means all Certificated Securities and any other Stock and Stock Equivalent of a Person evidenced by a certificate, Instrument or other equivalent document, in each case owned by any Grantor, including all Stock listed on *Schedule 2 (Pledged Collateral, Instruments and Chattel Paper)*.

"*Pledged Collateral*" means, collectively, the Pledged Stock, Pledged Debt Instruments, any other Investment Property of any Grantor, all chattel paper, certificates or other Instruments representing any of the foregoing and all Security Entitlements of any Grantor in respect of any of the foregoing. Pledged Collateral may, without limitation, be General Intangibles, Instruments or Investment Property.

"*Pledged Debt Instruments*" means all right, title and interest of any Grantor in Instruments evidencing any Indebtedness owed to such Grantor, including all Indebtedness described on *Schedule 2 (Pledged Collateral, Instruments and Chattel Paper)*, issued by the obligors named therein.

"*Pledged Stock*" means all Pledged Certificated Stock and all Pledged Uncertificated Stock. For purposes of this Agreement, the term "*Pledged Stock*" shall not include any Excluded Equity.

"*Pledged Uncertificated Stock*" means any Stock or Stock Equivalent of any Person that is not a Pledged Certificated Stock, including all right, title and interest of any Grantor as a limited or general partner in any Partnership or as a member of any LLC and all right, title and interest of any Grantor in, to and under any Partnership Agreement or LLC Agreement to which it is a party.

"*Securities Account Control Agreement*" means an agreement, in form and substance reasonably acceptable to the Administrative Agent, executed by the relevant Grantor, the Administrative Agent and the relevant Securities Intermediary and granting "control" (within the meaning of the UCC) over the Securities Account, subject to such agreement, to the Administrative Agent.

"*Securities Act*" means the Securities Act of 1933, as amended.

"*Trademark License*" means any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark.

"*Trademarks*" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and, in each case, all goodwill associated therewith, whether now existing or hereafter adopted or acquired, all registrations and recordings thereof and all applications in connection therewith, in each case whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof (or any treaty or international organization or body or political subdivision thereof), and all common-law rights related thereto, and (b) the right to obtain all renewals thereof.

"*UCC*" means the Uniform Commercial Code as from time to time in effect in the State of New York; *provided*, *however*, that, in the event that, by reason of mandatory provisions of law, any of the attachment, perfection or priority of the Administrative Agent's and any Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term "*UCC*" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

"*Vehicles*" means all vehicles covered by a certificate of title law of any state.

Section 1.2 Certain Other Terms

(a) In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "*from*" means "from and including" and the words "*to*" and "*until*" each mean "to but excluding" and the word "*through*" means "to and including."

(b) The terms "*herein*," "*hereof*," "*hereto*" and "*hereunder*" and similar terms refer to this Agreement as a whole and not to any particular Article, Section, subsection or clause in this Agreement.

(c) References herein to an Annex, Schedule, Article, Section, subsection or clause refer to the appropriate Annex or Schedule to, or Article, Section, subsection or clause in this Agreement.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(e) Where the context requires, provisions relating to any Collateral, when used in relation to a Grantor, shall refer to such Grantor's Collateral or any relevant part thereof.

(f) Any reference in this Agreement to a Loan Document shall include all appendices, exhibits and schedules thereto, and, unless specifically stated otherwise all amendments, restate-

ments, supplements or other modifications thereto, and as the same may be in effect at any time such reference becomes operative.

(g) The term "*including*" means "including without limitation" except when used in the computation of time periods.

(h) The terms "*Lender*," "*Issuer*," "*Administrative Agent*" and "*Secured Party*" include their respective successors.

(i) References in this Agreement to any statute shall be to such statute as amended or modified and in effect from time to time.

ARTICLE II

GRANT OF SECURITY INTEREST

Section 2.1 Collateral

For the purposes of this Agreement, all of the following property now owned or at any time hereafter acquired by a Grantor or in which a Grantor now has or at any time in the future may acquire any right, title or interests is collectively referred to as the "*Collateral*":

(a) all Accounts;

(b) all Chattel Paper;

(c) all Deposit Accounts;

(d) all Documents;

(e) all Equipment;

(f) all General Intangibles;

(g) all Instruments;

(h) all Inventory;

(i) all Investment Property;

(j) all Letter-of-Credit Rights;

(k) all Vehicles;

(l) the Commercial Tort Claims described on *Schedule 7 (Commercial Tort Claims)* and on any supplement thereto received by the Administrative Agent pursuant to *Section 4.11 (Notice of Commercial Tort Claims)*;

(m) all books and records pertaining to the other property described in this *Section 2.1*;

(n) all property of any Grantor held by the Administrative Agent or any other Secured Party, including all property of every description, in the possession or custody of or in transit to the Administrative Agent or such Secured Party for any purpose, including safekeeping, collection or pledge, for the account of such Grantor or as to which such Grantor may have any right or power;

(o) all other Goods and personal property of such Grantor, whether tangible or intangible and wherever located; and

(p) to the extent not otherwise included, all Proceeds and Supporting Obligations;

provided, *however*, that "*Collateral*" shall not include any Excluded Property; and *provided*, *further*, that if and when any property shall cease to be Excluded Property, such property shall be deemed at all times from and after the date hereof to constitute Collateral.

Section 2.2 Grant of Security Interest in Collateral

Each Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of such Grantor, hereby mortgages, pledges and hypothecates to the Administrative Agent for the benefit of the Secured Parties, and grants to the Administrative Agent for the benefit of the Secured Parties, a lien on and security interest in, all of its right, title and interest in, to and under the Collateral; *provided*, *however*, that, if and when any property that at any time constituted Excluded Property becomes Collateral, the Administrative Agent shall have, and at all times from and after the date hereof be deemed to have had, a lien on and security interest in such property.

Section 2.3 Cash Collateral Accounts

The Administrative Agent may establish a Deposit Account under its sole dominion and control and designate it as a Cash Collateral Account. Such Deposit Account shall be a Cash Collateral Account.

ARTICLE III

Representations and Warranties

To induce the Lenders, the Issuers, the Administrative Agent and the Syndication Agent to enter into the Credit Agreement, each Grantor hereby represents and warrants each of the following to the Administrative Agent, the Lenders, the Issuers and the other Secured Parties:

Section 3.1 Title; No Other Liens

Except for Liens granted to the Administrative Agent pursuant to this Agreement and the other Liens permitted to exist on the Collateral under the Credit Agreement, such Grantor (a) is the record and beneficial owner of the Pledged Collateral pledged by it hereunder constituting Instruments or Certificated Securities, (b) is the Entitlement Holder of all such Pledged Collateral constituting Investment Property held in a Securities Account and (c) has rights in or the power to transfer each other item of Collateral in which a Lien is granted by it hereunder, free and clear of any other Lien.

Section 3.2 Perfection and Priority

The security interests granted pursuant to this Agreement shall constitute valid and continuing perfected security interests in favor of the Administrative Agent in the Collateral for which perfection is governed by the UCC or filing with the United States Copyright Office upon (i) in the case of all Collateral in which a security interest may be perfected by filing a financing statement under the Uniform Commercial Code of any applicable jurisdiction, the timely and proper completion of the filings and other actions specified on *Schedule 3 (Filings)* (which, in the case of all filings and other documents referred to on such schedule, have been delivered to the Administrative Agent in completed and duly executed form), (ii) the delivery to the Administrative Agent of all Collateral consisting of Instruments and Certificated Securities, in each case properly endorsed for transfer to the Administrative Agent or in blank, (iii) the execution of Securities Account Control Agreements with respect to Investment Property not in certificated form, (iv) the execution of Deposit Account Control Agreements with respect to all Deposit Accounts of a Grantor and (v) in the case of Collateral in which a security interest may be perfected by filing with the United States Copyright Office, filing of a short-form security agreement in the form attached hereto as *Annex 3 (Form of Short Form Intellectual Property Security Agreement)* with the United States Copyright Office. Security interests in collateral that is subject to foreign jurisdiction Requirements of Law may require additional actions in accordance with the Requirements of Law of such jurisdictions. The security interest created hereunder in favor of the Administrative Agent for the benefit of the Secured Parties shall be prior to all other Liens on the Collateral except for Customary Permitted Liens having priority over the Administrative Agent's Lien by operation of law or otherwise as permitted under the Credit Agreement.

Section 3.3 Jurisdiction of Organization; Chief Executive Office

Such Grantor's jurisdiction of organization, legal name, organizational identification number, if any, the location of such Grantor's chief executive office or sole place of business, the number of shares of each class of Stock authorized (if applicable), the number outstanding on the Closing Date and the number and percentage of the outstanding shares of each such class owned (directly or indirectly) by any Loan Party, in each case as of the date hereof, is specified on *Schedule 1 (Parent and Subsidiary Information)* and such *Schedule 1 (Parent and Subsidiary Information)* also lists all legal names and any other names used on any filings with the Internal Revenue Service for the five years preceding the date hereof and all jurisdictions of incorporation for the past four months.

Schedule 1 includes information about each entity to which any Grantor became the successor by merger, consolidation, acquisition, change in form, nature or jurisdiction of organization or otherwise or from which it acquired any Collateral with a value in excess of $500,000, in each case for the five years preceding the date hereof, except for: (i) any acquisitions in the ordinary course of business or consisting of goods which have been acquired by such Grantor in the ordinary course of business from a person in the business of selling goods of that kind; or (ii) any corporate restructuring involving the Subsidiaries of the Parent.

Section 3.4 Inventory and Equipment

On the date hereof, such Grantor's Inventory and Equipment (other than mobile goods and Inventory or Equipment in transit) are kept at the locations listed on *Schedule 4 (Location of Inventory and Equipment)* and such *Schedule 4 (Location of Inventory and Equipment)* also list the locations of such Inventory and Equipment for the five years preceding the date hereof.

Section 3.5 Pledged Collateral

(a) The Pledged Stock pledged hereunder by such Grantor is listed on *Schedule 2* (*Pledged Collateral, Instruments and Chattel Paper*) and constitutes that percentage of the issued and outstanding equity of all classes of each issuer thereof as set forth on *Schedule 2* (*Pledged Collateral, Instruments and Chattel Paper*).

(b) All of the Pledged Stock (other than Pledged Stock in limited liability companies and partnerships) has been duly authorized, validly issued and is fully paid and nonassessable.

(c) Each of the Pledged Stock constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms, subject to the effects of applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(d) All Pledged Collateral and, if applicable, any Additional Pledged Collateral, consisting of Certificated Securities or Instruments has been delivered to the Administrative Agent in accordance with *Section 4.4(a)* (*Pledged Collateral*) hereof and *Section 7.11* (*Additional Collateral and Guaranties*) of the Credit Agreement.

(e) All Pledged Collateral held by a Securities Intermediary in a Securities Account is in a Control Account.

(f) Other than Pledged Stock constituting General Intangibles, there is no Pledged Collateral other than that represented by Certificated Securities or Instruments in the possession of the Administrative Agent, or that consists of Financial Assets held in a Control Account.

(g) The Constituent Documents of any Person governing any Pledged Stock of any limited liability company, partnership or similar entity do not, upon the occurrence and during the continuance of an Event of Default, prevent the Administrative Agent from exercising all of the rights of the Grantor granting the security interest therein, or prevent a transferee or assignee of Stock of such Person from becoming a member, partner or, as the case may be, other holder of such Pledged Stock to the same extent as the Grantor in such Person entitled to participate in the management of such Person or prohibit that upon the transfer of the entire interest of such Grantor, such Grantor ceases to be a member, partner or, as the case may be, other holder of such Pledged Stock.

Section 3.6 Instruments and Chattel Paper

As of the Closing Date, all of the Instruments and Tangible Chattel Paper with a value in excess of $1,000,000 of such Grantor are listed in *Schedule 2* (*Pledged Collateral, Instruments and Chattel Paper*).

Section 3.7 Intellectual Property

(a) *Schedule 5(a)* (*Intellectual Property*) lists all registrations for and applications to register Material Intellectual Property and material unregistered trademarks owned by such Grantor on the date hereof. *Schedule 5(a)* (*Intellectual Property*) also lists all license agreements pursuant to which Material Intellectual Property is licensed to such Grantor.

(b) Except as set forth on *Schedule 5(b) (Intellectual Property Adjudged Invalid, Abandoned, etc.*), all Material Intellectual Property owned by such Grantor is valid, subsisting, unexpired and enforceable, has not been adjudged invalid and has not been abandoned and the use thereof in the business of such Grantor does not infringe, misappropriate, dilute or violate the intellectual property rights of any other Person.

(c) Except as set forth in *Schedule 5(c)* (*Intellectual Property Subject to Licensing or Franchise Agreements*), none of the Material Intellectual Property owned by such Grantor is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor.

(d) No holding, decision or judgment has been rendered by any Governmental Authority that would limit, cancel or question the validity of, or such Grantor's rights in, any Material Intellectual Property.

(e) Except as set forth in *Schedule 5(d) (Intellectual Property Actions or Proceedings)*, no action or proceeding seeking to limit, cancel or question the validity of any Material Intellectual Property owned by such Grantor or such Grantor's ownership interest therein is pending or, to the knowledge of such Grantor, threatened. There are no claims, judgments or settlements to be paid by such Grantor relating to the Material Intellectual Property.

Section 3.8 Deposit Accounts; Securities Accounts

The only Deposit Accounts or Securities Accounts maintained by any Grantor on the date hereof are those listed on *Schedule 6* (*Bank Accounts; Control Accounts*), which sets forth such information separately for each Grantor. The parties hereto acknowledge that Deposit Accounts listed on *Schedule 6 (Bank Accounts; Control Accounts)* and indicated as Excluded Property are Excluded Property.

Section 3.9 Commercial Tort Claims

The only Commercial Tort Claims of any Grantor existing on the date hereof (regardless of whether the amount, defendant or other material facts can be determined and regardless of whether such Commercial Tort Claim has been asserted, threatened or has otherwise been made known to the obligee thereof or whether litigation has been commenced for such claims) are those listed on *Schedule 7 (Commercial Tort Claims)*, which sets forth such information separately for each Grantor.

ARTICLE IV

COVENANTS

Each Grantor agrees with the Administrative Agent to the following until all Secured Obligations are paid in full, unless the Requisite Lenders otherwise consent in writing:

Section 4.1 Generally

Such Grantor shall (a) not create or suffer to exist any Lien upon or with respect to any Collateral, except Liens permitted under *Section 8.2 (Liens, Etc.)* of the Credit Agreement, (b) not use or permit any Collateral to be used unlawfully or in violation of any provision of this Agreement, any other Loan Document, any Requirement of Law or any policy of insurance covering the Collateral, (c) not enter into any agreement or undertaking restricting the right or ability of such Grantor or the Administrative Agent to sell, assign or transfer any Collateral if such restriction would have a Material Adverse Effect and (d) promptly notify the Administrative Agent of its entry into any agreement or assumption of under-

taking that restricts the ability to sell, assign or transfer any Collateral regardless of whether or not it has a Material Adverse Effect.

Section 4.2 Maintenance of Perfected Security Interest; Further Documentation

(a) Such Grantor shall maintain the security interests created by this Agreement as security interests having at least the priority described in *Section 3.2 (Perfection and Priority)* and *Section 2.2 (Grant of Security Interest in Collateral)* and shall defend such security interests and such priority against the claims and demands of all Persons to the extent adverse to such Grantor's ownership rights or otherwise inconsistent with this Agreement or the other Loan Documents; *provided*, *however*, that security interests that relate solely to Collateral the aggregate value of which has a Dollar Equivalent not exceeding $1,000,000 are deemed invalid or unenforceable, such invalidity or unenforceability may remain to the extent not constituting an Event of Default under *Section 9.1(j)(Events of Default)* of the Credit Agreement for the period specified therein.

(b) Such Grantor shall furnish to the Administrative Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Administrative Agent may reasonably request, all in reasonable detail and in form and substance satisfactory to the Administrative Agent.

(c) Subject to the limitations on visits set forth in *Section 7.6 (Access)* of the Credit Agreement, at any time and from time to time, upon the reasonable written request of the Administrative Agent, and at the sole expense of such Grantor, such Grantor shall promptly and duly execute and deliver, and have recorded or authorize the recording of, such further instruments and documents and take such further action as the Administrative Agent may reasonably request for the purpose of obtaining or preserving the benefits of this Agreement and of the rights and powers herein granted, including the filing of any financing or continuation statement under the UCC (or any other Requirement of Law relating to registration of Liens over Intellectual Property or other personal property) in effect in any jurisdiction with respect to the security interests created hereby and the execution and delivery of Deposit Account Control Agreements and Securities Account Control Agreements.

Section 4.3 Changes in Locations, Name, Etc.

(a) Except upon 15 days' prior written notice to the Administrative Agent and delivery to the Administrative Agent of (i) all additional financing statements and other documents reasonably requested by the Administrative Agent to maintain the validity, perfection and priority of the security interests provided for herein and (ii) if applicable, a written supplement to *Schedule 4 (Location of Inventory and Equipment)* showing (A) any additional locations at which Inventory or Equipment shall be kept or (B) any changes in any location where Inventory or Equipment shall be kept that would require the Administrative Agent to take any action to maintain perfected Requisite Priority Liens in such Collateral, such Grantor shall not do any of the following:

(i) permit any Inventory or Equipment (other than computers and communications equipment used by, and in the possession of employees) to be kept at a location other than those listed on *Schedule 4 (Location of Inventory and Equipment)*, except for Inventory or Equipment in transit or absent for repair in the ordinary course of business; *provided*, *however*, that Inventory and Equipment having an aggregate Fair Market Value not to exceed $500,000.00 may be kept at other locations;

(ii) change its jurisdiction of organization or its location, in each case from that referred to in *Section 3.3 (Jurisdiction of Organization; Chief Executive Office)*; or

(iii) change its legal name or organizational identification number, if any, or corporation, limited liability company or other organizational structure to such an extent that any financing statement filed or other filing or registration made in connection with this Agreement would become misleading or otherwise ineffective.

(b) Such Grantor shall keep and maintain at its own cost and expense satisfactory and complete records of the Collateral, including a record of all payments received and all credits granted with respect to the Collateral and all other dealings with the Collateral. If requested by the Administrative Agent, the security interests of the Administrative Agent shall be noted on the certificate of title of each Vehicle.

Section 4.4 Pledged Collateral

(a) Such Grantor shall, within 30 days of the acquisition of a Subsidiary or creation of a new Subsidiary, (i) deliver to the Administrative Agent all certificates and Instruments representing or evidencing any Pledged Collateral (including Additional Pledged Collateral), whether now existing or hereafter acquired, in suitable form for transfer by delivery or, as applicable, accompanied by such Grantor's endorsement, where necessary, or duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Administrative Agent, together, in respect of any Additional Pledged Collateral, with a Pledge Amendment, duly executed by the Grantor, in substantially the form of *Annex 1 (Form of Pledge Amendment)*, an acknowledgment and agreement to a Joinder Agreement duly executed by the Grantor, in substantially the form in the form of *Annex 2 (Form of Joinder Agreement)*, or such other documentation acceptable to the Administrative Agent and (ii) maintain all other Pledged Collateral constituting Investment Property in a Control Account. Such Grantor authorizes the Administrative Agent to attach each Pledge Amendment to this Agreement. The Administrative Agent shall have the right, at any time upon the occurrence and during the continuance of any Event of Default, in its discretion and without notice to the Grantor, to transfer to or to register in its name or in the name of its nominees any Pledged Collateral. The Administrative Agent shall have the right at any time upon the occurrence and during the continuance of any Event of Default, to exchange any certificate or instrument representing or evidencing any Pledged Collateral for certificates or instruments of smaller or larger denominations.

(b) Except as provided in *Article V (Remedial Provisions)*, such Grantor shall be entitled to receive all cash dividends paid in respect of the Pledged Collateral with respect to the Pledged Collateral. Any sums paid upon or in respect of any Pledged Collateral upon the liquidation or dissolution of any issuer of any Pledged Collateral, any distribution of capital made on or in respect of any Pledged Collateral or any property distributed upon or with respect to any Pledged Collateral pursuant to the recapitalization or reclassification of the capital of any issuer of Pledged Collateral or pursuant to the reorganization thereof shall, unless otherwise subject to perfected Requisite Priority Liens in favor of the Administrative Agent, be delivered to the Administrative Agent to be held by it hereunder as additional collateral security for the Secured Obligations. If any such sum of money or property so paid or distributed in respect of any Pledged Collateral shall be received by such Grantor and not otherwise be subject to perfected Requisite Priority Liens in favor of the Administrative Agent, such Grantor shall, until such money or property is paid or delivered to the Administrative Agent, hold such money or property in trust for the Administrative Agent, segregated from other funds of such Grantor, as additional security for the Secured Obligations.

(c) Except as provided in *Article V (Remedial Provisions)*, such Grantor shall be entitled to exercise all voting, consent and corporate, partnership, limited liability company and similar rights with respect to the Pledged Collateral; *provided*, *however*, that no vote shall be cast, consent given

or right exercised or other action taken by such Grantor that would materially impair the Collateral, be inconsistent with or result in any violation of any provision of the Credit Agreement, this Agreement or any other Loan Document or, without prior notice to the Administrative Agent, enable or permit any issuer of Pledged Collateral to issue any Stock or other equity Securities of any nature or to issue any other securities convertible into or granting the right to purchase or exchange for any Stock or other equity Securities of any nature of any issuer of Pledged Collateral.

(d) Such Grantor shall not grant "control" (within the meaning of such term under Article 9-106 of the UCC) over any Investment Property of such Grantor to any Person other than the Administrative Agent.

(e) In the case of each Grantor that is an issuer of Pledged Collateral, such Grantor agrees to be bound by the terms of this Agreement relating to the Pledged Collateral issued by it and shall comply with such terms insofar as such terms are applicable to it. In the case of any Grantor that is a holder of any Stock or Stock Equivalent in any Person that is an issuer of Pledged Collateral, such Grantor consents to (i) the exercise of the rights granted to the Administrative Agent hereunder (including those described in *Section 5.3 (Pledged Collateral)*), and (ii) the pledge by each other Grantor, pursuant to the terms hereof, of the Pledged Stock in such Person and to the transfer of such Pledged Stock after the occurrence and during the continuance Event of Default to the Administrative Agent or its nominee and to the substitution of the Administrative Agent or its nominee as a holder of such Pledged Stock with all the rights, powers and duties of other holders of Pledged Stock of the same class and, if the Grantor having pledged such Pledged Stock hereunder had any right, power or duty at the time of such pledge or at the time of such substitution beyond that of such other holders, with all such additional rights, powers and duties. Such Grantor agrees to execute and deliver to the Administrative Agent such certificates, agreements and other documents as may be reasonably necessary to evidence, formalize or otherwise give effect to the consents given in this *clause (e)*.

(f) Such Grantor shall not, without the consent of the Administrative Agent (and to the extent required pursuant to *Section 8.11 (Modifications of Constituent Documents)* of the Credit Agreement, any Lender or Agent), agree to any amendment of any Constituent Document that in any way materially adversely affects the perfection of the security interests of the Administrative Agent in any Pledged Collateral pledged by any Grantor hereunder, including any amendment electing to treat any membership interest or partnership interest that is part of the Pledged Collateral as a "security" under Section 8-103 of the UCC, or any election to turn any previously uncertificated Stock that is part of the Pledged Collateral into certificated Stock.

Section 4.5 Accounts

(a) Such Grantor shall not, other than as permitted by the Credit Agreement consistent with its reasonable business judgment, (i) grant any extension of the time of payment of any Account, (ii) compromise or settle any Account for less than the full amount thereof, (iii) release, wholly or partially, any Person liable for the payment of any Account, (iv) allow any credit or discount on any Account or (v) amend, supplement or modify any Account in any manner that could materially adversely affect the value thereof.

(b) Subject to the limitations in *Section 7.6 (Access)* of the Credit Agreement, the Administrative Agent shall have the right to make test verifications of the Accounts in any manner and through any medium that it reasonably considers advisable, and such Grantor shall furnish all such assistance and information as the Administrative Agent may reasonably require in connection therewith. At any time and from time to time, upon the Administrative Agent's request and at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Ad-

ministrative Agent to furnish to the Administrative Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Accounts; *provided, however*, that unless a Default or Event of Default shall be continuing, the Administrative Agent shall request no more than one such report during any calendar year.

Section 4.6 Delivery of Instruments and Chattel Paper

If any amount in excess of $1,000,000 payable under or in connection with any Collateral owned by such Grantor shall be or become evidenced by an Instrument or Tangible Chattel Paper, such Grantor shall immediately deliver such Instrument or Tangible Chattel Paper to the Administrative Agent, duly endorsed in a manner reasonably satisfactory to the Administrative Agent, or, if consented to by the Administrative Agent, shall mark, or, to the extent permitted by such Instruments and Tangible Chattel Paper and applicable Requirements of Law, attach a valid allonge to, all such Instruments and Tangible Chattel Paper with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of Bank of America, N.A., as Administrative Agent" (which legend shall be modified to reflect successor Administrative Agents).

Section 4.7 Intellectual Property

(a) Such Grantor (either itself or through licensees) shall, in accordance with its reasonable business judgment, (i) continue to use each Trademark that is Material Intellectual Property in order to maintain such Trademark in full force and effect with respect to each class of goods for which such Trademark is currently used, free from any claim of abandonment for non-use, (ii) maintain as in the past the quality of products and services offered under such Trademark, (iii) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable Requirements of Law, (iv) not adopt or use any mark that is confusingly similar or a colorable imitation of such Trademark unless the Administrative Agent shall obtain perfected Requisite Priority Liens in such mark pursuant to this Agreement and (v) not (and not permit any licensee or sublicensee thereof to) intentionally do any act or knowingly omit to do any act whereby such Trademark (or any goodwill associated therewith) may become destroyed, invalidated, impaired or harmed in any material respect.

(b) Such Grantor (either itself or through licensees) shall, in accordance with its reasonable business judgment, not intentionally do any act, or knowingly omit to do any act, whereby any Patent that is Material Intellectual Property may become forfeited, abandoned or dedicated to the public (except for Patents expiring at the end of their statutory terms).

(c) Such Grantor (either itself or through licensees) shall, in accordance with its reasonable business judgment, (i) not (and shall not permit any licensee or sublicensee thereof to) intentionally do any act or knowingly omit to do any act whereby any portion of the Copyrights that is Material Intellectual Property may become invalidated or otherwise impaired in any material respect and (ii) not (either itself or through licensees) intentionally do any act whereby any portion of the Copyrights that is Material Intellectual Property may fall into the public domain (except for Copyrights expiring at the end of their statutory terms).

(d) Such Grantor (either itself or through licensees) shall not intentionally do any act, or knowingly omit to do any act, whereby any trade secret that is Material Intellectual Property may become publicly available or otherwise unprotectable in any material respect.

(e) Such Grantor (either itself or through licensees) shall not intentionally do any act that knowingly uses any Material Intellectual Property to infringe, misappropriate, or violate the intellectual property rights of any other Person.

(f) Such Grantor shall notify the Administrative Agent promptly if it knows, or has reason to know, that any application or registration relating to any Material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, or any other Governmental Authority or any international agency or similar authority), regarding such Grantor's ownership of, right to use, interest in, or the validity of, any Material Intellectual Property or such Grantor's right to register the same or to own and maintain the same.

(g) Whenever such Grantor, either by itself or through any agent, licensee or designee, shall file an application for the registration of any Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office, any similar Governmental Authority within or outside the United States or any international agency or similar authority or register any Internet domain name, such Grantor shall report such filing to the Administrative Agent within 10 Business Days after the last day of the fiscal quarter in which such filing occurs. Upon request of the Administrative Agent, such Grantor shall execute and deliver, and have recorded, all agreements, instruments, documents and papers as the Administrative Agent may reasonably request to evidence the Administrative Agent's security interest in any Copyright, Patent, Trademark (other than Excluded Property) or Internet domain name and the goodwill and general intangibles of such Grantor relating thereto or represented thereby.

(h) Such Grantor shall take all reasonable actions necessary or appropriate (in accordance with its reasonable business judgment) or requested by the Administrative Agent, including in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office, any similar Governmental Authority within or outside of the United States, any international agency and similar authority and any Internet domain name registrar, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of any Copyright, Trademark, Patent or Internet domain name that is Material Intellectual Property, including filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition and interference and cancellation proceedings.

(i) In the event that any Material Intellectual Property is or has been infringed upon or misappropriated or diluted by a third party, such Grantor shall notify the Administrative Agent promptly after such Grantor learns thereof. Such Grantor shall take appropriate action in accordance with its reasonable business judgment in response to such infringement, misappropriation of dilution, including promptly bringing suit for infringement, misappropriation or dilution and to recover all damages for such infringement, misappropriation of dilution, and shall take such other actions may be appropriate in its reasonable judgment under the circumstances to protect such Material Intellectual Property.

(j) Unless otherwise agreed to by the Administrative Agent, such Grantor shall execute and deliver to the Administrative Agent for filing (i) in the United States Copyright Office, a short-form copyright security agreement in the form attached hereto as *Annex 3 (Form of Short Form Intellectual Property Security Agreement)*, (ii) in the United States Patent and Trademark Office and with the Secretary of State of all appropriate States of the United States, a short-form patent security agreement in the form attached hereto as *Annex 3 (Form of Short Form Intellectual Property Security Agreement)*, (iii) in the United States Patent and Trademark Office, a short-form trademark security agreement in form attached hereto as *Annex 3 (Form of Short Form Intellectual Property Security Agreement)*, and (iv) at the Administrative Agent's request, a duly executed form of assignment of such Internet domain name to the Administrative Agent (together with appropriate supporting documentation as may be requested by the Administrative Agent) in form and substance reasonably acceptable to the Administrative Agent. In the case of *clause (iv)* above, if requested by the Administrative Agent, such Grantor shall execute such form

of assignment in blank and hereby authorizes the Administrative Agent, upon the occurrence or continuance of an Event of Default, to file such assignment in such Grantor's name and to otherwise perform in the name of such Grantor all other necessary actions to complete such assignment, and each Grantor agrees to perform all appropriate actions deemed necessary by the Administrative Agent for the Administrative Agent to ensure such Internet domain name is registered in the name of the Administrative Agent.

Section 4.8 Vehicles

Upon the request of the Administrative Agent, within 30 days after the date of such request and, with respect to Vehicles acquired by such Grantor with an aggregate Fair Market Value in excess of $500,000 subsequent to the date of any such request, within 30 days after the date of acquisition thereof, such Grantor shall file all applications for certificates of title or ownership indicating the Administrative Agent's Requisite Priority Liens in the Vehicle covered by such certificate and any other necessary documentation, in each office in each jurisdiction that the Administrative Agent shall deem advisable to perfect the Administrative Agent's Requisite Priority Liens in the Vehicles.

Section 4.9 Payment of Obligations

Such Grantor shall pay and discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all federal taxes and all material other taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of income or profits therefrom, as well as all claims of any kind (including claims for labor, materials and supplies) against or with respect to the Collateral, except that no such charge need be paid if the amount or validity thereof is currently being contested in good faith by appropriate proceedings, reserves in conformity with GAAP with respect thereto have been provided on the books of such Grantor and such proceedings could not reasonably be expected to result in the sale, forfeiture or loss of any material portion of the Collateral or any interest therein.

Section 4.10 Insurance

Such Grantor shall maintain, and cause to be maintained for each of its Subsidiaries, insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks as in the reasonable business judgment of a Responsible Officer of the Parent is sufficient, appropriate and prudent for a business of the size and character of that of such Person, and such other insurance as may be reasonably requested by the Requisite Lenders, and, in any event, all insurance required by any Collateral Documents.

Section 4.11 Notice of Commercial Tort Claims

Such Grantor agrees that, if it shall acquire any interest in any Commercial Tort Claim (whether from another Person or because such Commercial Tort Claim shall have come into existence), (i) such Grantor shall, promptly after a Responsible Officer gains knowledge of such acquisition, deliver to the Administrative Agent, in each case in form and substance reasonably satisfactory to the Administrative Agent, a notice of the existence and nature of such Commercial Tort Claim and deliver a supplement to *Schedule 7 (Commercial Tort Claims)* containing a specific description of such Commercial Tort Claim, (ii) the provision of *Section 2.1 (Collateral)* shall apply to such Commercial Tort Claim and (iii) such Grantor shall execute and deliver to the Administrative Agent, in each case in form and substance reasonably satisfactory to the Administrative Agent, any certificate, agreement and other document, and take all other reasonable action, reasonably deemed by the Administrative Agent to be reasonably necessary or reasonably appropriate for the Administrative Agent to obtain perfected Requisite Priority Liens in all such Commercial Tort Claims. Any supplement to *Schedule 7 (Commercial Tort Claims)*

delivered pursuant to this *Section 4.11 (Notice of Commercial Tort Claims)* shall, after the receipt thereof by the Administrative Agent, become part of *Schedule 7 (Commercial Tort Claims)* for all purposes hereunder other than in respect of representations and warranties made prior to the date of such receipt.

ARTICLE V

Remedial Provisions

Section 5.1 Code and Other Remedies

During the continuance of an Event of Default, the Administrative Agent may exercise, in addition to all other rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC or any other applicable law. Without limiting the generality of the foregoing, the Administrative Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived to the fullest extent permitted by law), may in such circumstances forthwith collect, receive, appropriate and realize upon any Collateral, and may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver any Collateral (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Administrative Agent shall have the right upon any such public sale or sales, and, to the extent permitted by the UCC and other applicable law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption of any Grantor, which right or equity is hereby waived and released. Each Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places that the Administrative Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Administrative Agent shall apply the net proceeds of any action taken by it pursuant to this *Section 5.1*, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any Collateral or in any way relating to the Collateral or the rights of the Administrative Agent and any other applicable Secured Party hereunder, including reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Secured Obligations, in such order as the Credit Agreement shall prescribe, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, need the Administrative Agent account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Administrative Agent or any other Secured Party arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

Section 5.2 Accounts and Payments in Respect of General Intangibles

(a) In addition to, and not in substitution for, any similar requirement in the Credit Agreement, if required by the Administrative Agent at any time during the continuance of an Event of Default, any payment of Accounts or payment in respect of General Intangibles, when collected by any Grantor, shall be forthwith (and, in any event, within five Business Days) deposited by such Grantor in the exact form received, duly endorsed by such Grantor to the Administrative Agent, in an Approved Deposit Account or a Cash Collateral Account, subject to withdrawal by the Administrative Agent as pro-

vided in *Section 5.4 (Proceeds Turned Over to the Administrative Agent)*. Until so turned over or turned over, such payment shall be held by such Grantor in trust for the Administrative Agent, segregated from other funds of such Grantor. Each such deposit of Proceeds of Accounts and payments in respect of General Intangibles shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(b) At the Administrative Agent's request, during the continuance of an Event of Default, each Grantor shall deliver to the Administrative Agent all original and other documents evidencing, and relating to, the agreements and transactions that gave rise to the Accounts or payments in respect of General Intangibles, including all original orders, invoices and shipping receipts.

(c) The Administrative Agent may, without notice, at any time during the continuance of an Event of Default, limit or terminate the authority of a Grantor to collect its Accounts or amounts due under General Intangibles or any thereof.

(d) The Administrative Agent in its own name or in the name of others may at any time during the continuance of an Event of Default communicate with Account Debtors to verify with them to the Administrative Agent's satisfaction the existence, amount and terms of any Account or amounts due under any General Intangible and the Administrative Agent, to the extent permitted under applicable Requirements of Law, shall have given written notice to the relevant Grantor on, prior to or promptly after such exercise of the Administrative Agent's intent to exercise its corresponding rights under this *Section 5.2*; *provided*, *however*, that the failure of the Administrative Agent to give notice shall not affect the rights of the Administrative Agent hereunder and shall not otherwise result in any liability for the Administrative Agent.

(e) Upon the request of the Administrative Agent at any time during the continuance of an Event of Default, and, to the extent permitted under applicable Requirements of Law, the Administrative Agent shall have given written notice to the relevant Grantor on, prior to or promptly after such exercise of the Administrative Agent's intent to exercise its corresponding rights under this *Section 5.2* (*provided*, *however*, that the failure to give notice shall not affect the rights of the Administrative Agent hereunder and shall not otherwise result in any liability for the Administrative Agent), each Grantor shall notify Account Debtors that the Accounts or General Intangibles have been collaterally assigned to the Administrative Agent and that payments in respect thereof shall be made directly to the Administrative Agent. In addition, the Administrative Agent may at any time during the continuance of an Event of Default enforce such Grantor's rights against such Account Debtors and obligors of General Intangibles.

(f) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Accounts and payments in respect of General Intangibles to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Administrative Agent nor any other Secured Party shall have any obligation or liability under any agreement giving rise to an Account or a payment in respect of a General Intangible by reason of or arising out of this Agreement or the receipt by the Administrative Agent or any other Secured Party of any payment relating thereto, and neither the Administrative Agent nor any other Secured Party be obligated in any manner to perform any obligation of any Grantor under or pursuant to any agreement giving rise to an Account or a payment in respect of a General Intangible, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.

Section 5.3 Pledged Collateral

(a) During the continuance of an Event of Default, upon notice by the Administrative Agent to the relevant Grantor or Grantors, (i) the Administrative Agent shall have the right to receive any Proceeds of the Pledged Collateral and to make application thereof to the Obligations in the order set forth in the Credit Agreement and (ii) the Administrative Agent or its nominee may exercise (A) any voting, consent, corporate and other right pertaining to the Pledged Collateral at any meeting of shareholders, partners or members, as the case may be, of the relevant issuer or issuers of Pledged Collateral or otherwise and (B) any right of conversion, exchange and subscription and any other right, privilege or option pertaining to the Pledged Collateral as if it were the absolute owner thereof (including the right to exchange at its discretion any of the Pledged Collateral upon the merger, amalgamation, consolidation, reorganization, recapitalization or other fundamental change in the corporate or equivalent structure of any issuer of Pledged Stock, the right to deposit and deliver any Pledged Collateral with any committee, depositary, transfer agent, registrar or other designated agency upon such terms and conditions as the Administrative Agent may reasonably determine), all without liability except to account for property actually received by it; *provided*, *however*, that the Administrative Agent shall not have any duty to any Grantor to exercise any such right, privilege or option and the Administrative Agent shall not be responsible for any failure to do so or delay in so doing.

(b) In order to permit the Administrative Agent to exercise the voting and other consensual rights that it may be entitled to exercise pursuant hereto and to receive all dividends and other distributions that it may be entitled to receive hereunder, (i) each Grantor shall promptly execute and deliver (or cause to be executed and delivered) to Administrative Agent all such proxies, dividend payment orders and other instruments as the Administrative Agent may from time to time reasonably request and (ii) without limiting the effect of *clause (i)* above, such Grantor hereby grants to the Administrative Agent an irrevocable proxy to vote all or any part of the Pledged Collateral and to exercise all other rights, powers, privileges and remedies to which a holder of the Pledged Collateral would be entitled (including giving or withholding written consents of shareholders, partners or members, as the case may be, calling special meetings of shareholders, partners or members, as the case may be, and voting at such meetings), which proxy shall be effective, automatically and without the necessity of any action (including any transfer of any Pledged Collateral on the record books of the issuer thereof) by any other person (including the issuer of such Pledged Collateral or any officer or agent thereof) during the continuance of an Event of Default and which proxy shall only terminate upon the payment in full of the Secured Obligations.

(c) Each Grantor hereby expressly authorizes and instructs each issuer of any Pledged Collateral pledged hereunder by such Grantor to (i) comply with any instruction received by it from the Administrative Agent in writing that (A) states that an Event of Default has occurred and is continuing and (B) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that such issuer shall be fully protected in so complying and (ii) unless otherwise expressly provided hereby, pay any dividend or other payment with respect to the Pledged Collateral directly to the Administrative Agent.

Section 5.4 [Reserved.]

Section 5.5 Registration Rights

(a) If the Administrative Agent shall determine to exercise its rights to sell any the Pledged Collateral pursuant to *Section 5.1 (Code and Other Remedies)*, and if in the opinion of the Administrative Agent it is necessary or advisable to have the Pledged Collateral, or any portion thereof to be registered under the provisions of the Securities Act, the relevant Grantor shall cause the issuer thereof to (i) execute and deliver, and cause the directors and officers of such issuer to execute and deliver, all such

instruments and documents, and do or cause to be done all such other acts as may be, in the opinion of the Administrative Agent, necessary or advisable to register the Pledged Collateral, or that portion thereof to be sold, under the provisions of the Securities Act, (ii) use commercially reasonable efforts to cause the registration statement relating thereto to become effective and to remain effective for a period of one year from the date of the first public offering of the Pledged Collateral, or that portion thereof to be sold and (iii) make all amendments thereto or to the related prospectus that, in the opinion of the Administrative Agent, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the Securities and Exchange Commission applicable thereto. Each Grantor agrees to cause such issuer to comply with the provisions of the securities or "Blue Sky" laws of any jurisdiction that the Administrative Agent shall designate and to make available to its security holders, as soon as practicable, an earnings statement (which need not be audited) satisfying the provisions of Section 11(a) of the Securities Act.

(b) Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any Pledged Collateral by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise or may determine that a public sale is impracticable or not commercially reasonable and, accordingly, may resort to one or more private sales thereof to a restricted group of purchasers that shall be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale of any Pledged Collateral for the period of time necessary to permit the issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such issuer would agree to do so.

(c) Each Grantor agrees to use commercially reasonable efforts to do or cause to be done all such other acts as may be necessary to make such sale or sales of all or any portion of the Pledged Collateral pursuant to this *Section 5.5* valid and binding and in compliance with all other applicable Requirements of Law. Each Grantor further agrees that a breach of any covenant contained in this *Section 5.5* will cause irreparable injury to the Administrative Agent and other Secured Parties, that the Administrative Agent and the other Secured Parties have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this *Section 5.5* shall be specifically enforceable against such Grantor, and such Grantor hereby waives, to the fullest extent permitted by law, and agrees not to assert any defense against an action for specific performance of such covenants except for a defense that no Event of Default has occurred under the Credit Agreement or that the Secured Obligations have been paid in full or that such covenants have been fully performed.

Section 5.6 Deficiency

Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Secured Obligations and the reasonable fees and out-of-pocket disbursements of any attorney employed by the Administrative Agent or any other Secured Party to collect such deficiency.

ARTICLE VI

The Administrative Agent

Section 6.1 Administrative Agent's Appointment as Attorney-in-Fact

(a) Until such time as all Secured Obligations shall have been paid in full, each Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent of the Administrative Agent, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any appropriate action and to execute any document or instrument that may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Administrative Agent the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any of the following:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and endorse and collect any check, draft, note, acceptance or other instrument for the payment of moneys due under any Account or General Intangible or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting any such moneys due under any Account or General Intangible or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any agreement, instrument, document or paper as the Administrative Agent may request to evidence the Administrative Agent's security interests in such Intellectual Property and the goodwill and General Intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repair or pay any insurance called for by the terms of this Agreement (including all or any part of the premiums therefor and the costs thereof);

(iv) execute, in connection with any sale provided for in *Section 5.1* (*Code and Other Remedies*) or *5.5* (*Registration Rights*), any endorsement, assignment or other instrument of conveyance or transfer with respect to the Collateral; or

(v) (A) direct any party liable for any payment under any Collateral to make payment of any moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct, (B) ask or demand for, collect, and receive payment of and receipt for, any moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral, (C) sign and endorse any invoice, freight or express bill, bill of lading, storage or warehouse receipt, draft against debtors, assignment, verification, notice and other document in connection with any Collateral, (D) commence and prosecute any suit, action or proceeding at law or in equity in any court of competent jurisdiction to collect any Collateral and to enforce any other right in respect of any Collateral, (E) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral, (F) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Administrative Agent may deem appropriate, (G) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Trademark pertains) throughout the world for such term or terms, on such conditions, and in such manner as the Administrative

Agent shall in its sole discretion determine, including the execution and filing of any document necessary to effectuate or record such assignment and (H) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and do, at the Administrative Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things that the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Administrative Agent's and the other Secured Parties' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this *clause (a)* to the contrary notwithstanding, the Administrative Agent agrees that it shall not exercise any right under the power of attorney provided for in this *clause (a)* unless an Event of Default shall be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Administrative Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Administrative Agent incurred in connection with actions undertaken as provided in this *Section 6.1*, together with interest thereon at a rate per annum equal to the rate per annum at which interest would then be payable on past due Revolving Loans that are Base Rate Loans under the Credit Agreement, from the date of payment by the Administrative Agent to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Administrative Agent on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

Section 6.2 Duty of Administrative Agent

The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession shall be to deal with it in the same manner as the Administrative Agent deals with similar property for its own account. Neither the Administrative Agent nor any other Secured Party, nor any of their respective officers, directors, employees or agents, shall be liable for failure to demand, collect or realize upon any Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with regard to any Collateral. The powers conferred on the Administrative Agent hereunder are solely to protect the Administrative Agent's interest in the Collateral and shall not impose any duty upon the Administrative Agent or any other Secured Party to exercise any such powers. The Collateral Agent and the other Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers and neither they nor any of their respective officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence, bad faith or willful misconduct and the gross negligence, bad faith or willful misconduct of any of their own officers, directors, employees or agents.

Section 6.3 Authorization of Financing Statements

Each Grantor authorizes the Administrative Agent and its Affiliates, counsel and other representatives, at any time and from time to time, to file or record financing statements, amendments to financing statements, and other filing or recording documents or instruments with respect to the Collateral in such form and in such offices as the Administrative Agent reasonably determines appropriate to perfect the security interests of the Administrative Agent under this Agreement, and such financing statements and amendments may describe the Collateral covered thereby as "all assets of the debtor", "all personal property of the debtor" or words of similar effect. Each Grantor hereby also authorizes the Administrative Agent and its Affiliates, counsel and other representatives, at any time and from time to time, to file continuation statements with respect to previously filed financing statements. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction.

Section 6.4 Authority of Administrative Agent

Each Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by it or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Administrative Agent and the other Secured Parties, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantors, the Administrative Agent shall be conclusively presumed to be acting as agent for the other Secured Parties it represents as collateral agent with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Amendments in Writing

None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with *Section 11.1 (Amendments, Waivers, Etc.)* of the Credit Agreement; *provided*, *however*, that annexes to this Agreement may be supplemented (but no existing provisions may be modified and no Collateral may be released) through Pledge Amendments and Joinder Agreements, in substantially the form of *Annex 1 (Form of Pledge Amendment)* and *Annex 2 (Form of Joinder Agreement)*, respectively, in each case duly executed by the Administrative Agent and each Grantor directly affected thereby.

Section 7.2 Notices

All notices, requests and demands to or upon the Administrative Agent or any Grantor hereunder shall be effected in the manner provided for in *Section 11.8 (Notices, Etc.)* of the Credit Agreement; *provided*, *however*, that any such notice, request or demand to or upon any Grantor shall be addressed to the Borrower's notice address set forth in such *Section 11.8*.

Section 7.3 No Waiver by Course of Conduct; Cumulative Remedies

Neither the Administrative Agent nor any other Secured Party shall by any act (except by a written instrument pursuant to *Section 7.1 (Amendments in Writing)*), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Administrative Agent or any other Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent or any other Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that the Administrative Agent or such other Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

Section 7.4 Successors and Assigns

This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of the Administrative Agent and each other Secured Party and their successors and assigns; *provided, however*, that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent, except pursuant to mergers, liquidations or dissolutions permitted pursuant to *Section 8.7 (Restrictions on Fundamental Changes, Permitted Acquisitions)* of the Credit Agreement.

Section 7.5 Counterparts

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed counterpart by telecopy shall be effective as delivery of a manually executed counterpart.

Section 7.6 Severability

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 7.7 Section Headings

The Article and Section titles contained in this Agreement are, and shall be, without substantive meaning or content of any kind whatsoever and are not part of the agreement of the parties hereto.

Section 7.8 Entire Agreement

This Agreement together with the other Loan Documents represents the entire agreement of the parties and supersedes all prior agreements and understandings relating to the subject matter hereof.

Section 7.9 Governing Law

This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

Section 7.10 Additional Grantors

If, pursuant to *Section 7.11 (Additional Collateral and Guaranties)* of the Credit Agreement, the Borrower or the Parent shall be required to cause any Subsidiary of the Parent or any other Person that is not a Grantor to become a Grantor hereunder, such Subsidiary or other Person shall execute and deliver to the Administrative Agent a Joinder Agreement substantially in the form of *Annex 2 (Form of Joinder Agreement)* and shall thereafter for all purposes be a party hereto and have the same rights, benefits and obligations as a Grantor party hereto on the Closing Date.

Section 7.11 Release of Collateral

(a) At the time provided in clause (a)(i) of *Section 10.10 (Collateral and Guaranty Matters)* of the Credit Agreement, the Collateral shall be released from the Lien created hereby and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. In accordance with Section 10.10 of the Credit Agreement, at the request and sole expense of any Grantor following any such termination, the Administrative Agent shall deliver to such Grantor any Collateral of such Grantor held by the Administrative Agent hereunder and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) (i) If any Collateral shall be sold or disposed of by any Grantor in a transaction permitted by the Credit Agreement (other than to another Grantor), such Collateral shall be released from the Lien created hereby or (ii) in the event that all the capital stock of a Grantor shall be so sold or disposed, a Grantor shall be released from its obligations. In each case, the Administrative Agent, at the request and sole expense of the Borrower, shall execute and deliver to the Borrower all releases or other documents, including, without limitation, UCC termination statements, reasonably necessary or desirable for the release of the Lien created hereby on such Collateral or the release of the obligations of the Grantor, as the case may be; *provided*, *however*, that the Borrower shall have delivered to the Administrative Agent, at least ten Business Days (or such later date as shall be acceptable to the Administrative Agent) prior to the date of the proposed release, a written request for release, together with a certification by the Borrower in form and substance satisfactory to the Administrative Agent stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents and including any other information relating to such transaction as shall be reasonably requested by the Administrative Agent.

Section 7.12 Reinstatement

Each Grantor further agrees that, if any payment made by any Loan Party or other Person and applied to the Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, or the proceeds of Collateral are required to be returned by any Secured Party to such Loan Party, its estate, trustee, receiver or any other party, including any Grantor, under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or repayment, any Lien or other Collateral securing such liability shall be and remain in full force and effect, as fully as if such payment had never been made or, if prior thereto the Lien granted hereby or other Collateral securing such liability hereunder shall have been released or terminated by virtue of such cancellation or surrender), such Lien or other Collateral shall be

reinstated in full force and effect, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect any Lien or other Collateral securing the obligations of any Grantor in respect of the amount of such payment.

Section 7.13 Termination

This Agreement (other than the reinstatement provisions of *Section 7.12 (Reinstatement)*) shall terminate (i) upon termination of the Commitments and payment in full in cash of all Secured Obligations (other than (A) contingent indemnification obligations and (B) obligations and liabilities under Secured Cash Management Obligations and Secured Hedging Contract Obligations as to which arrangements satisfactory to the applicable Secured Party shall have been made) and the expiration or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the Issuers shall have been made).

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has caused this Pledge and Security Agreement to be duly executed and delivered as of the date first above written.

PRESTIGE BRANDS, INC.
as Grantor

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

PRESTIGE BRANDS HOLDINGS, INC.
as Grantor

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY
as Grantors

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

ACCEPTED AND AGREED
as of the date first above written:

BANK OF AMERICA, N.A.
as Administrative Agent

By: /s/ Don B. Pinzon
Name: Don. B. Pinzon
Title: Vice President

GUARANTY

GUARANTY, dated as of March 24, 2010, by Prestige Brands Holdings, Inc., a Delaware corporation (the "*Parent*"), and each of the other entities listed on the signature pages hereof or that becomes a party hereto pursuant to *Section 23 (Additional Guarantors)* hereof (collectively, together with the Parent, the "*Guarantors*" and each, individually, a "*Guarantor*" and each Guarantor other than the Parent and other than any other Person that is the beneficial owner of all of the Stock of the Borrower (as defined below), a "*Subsidiary Guarantor*"), in favor of the Administrative Agent (as defined below), and each other Agent, Lender, Issuer and each other holder of an Obligation (as each such term is defined in the Credit Agreement referred to below) (each, a "*Guarantied Party*" and, collectively, the "*Guarantied Parties*").

WITNESSETH:

WHEREAS, pursuant to the Credit Agreement dated as of March 24, 2010 (together with all appendices, exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"; capitalized terms defined therein and used herein having the meanings given to them in the Credit Agreement) among Prestige Brands, Inc. (the "*Borrower*"), the Parent, the Lenders and Issuers party thereto, Bank of America, N.A., as administrative agent for the Lenders and Issuers and collateral agent for the Secured Parties (in such capacities, the "*Administrative Agent*") and the other parties listed therein, the Lenders and Issuers have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, the Parent is the sole stockholder of the Borrower, and each Subsidiary Guarantor is a direct or indirect Subsidiary of the Parent;

WHEREAS, each Guarantor will receive substantial direct and indirect benefits from the making of the Loans, the issuance of the Letters of Credit and the granting of the other financial accommodations to the Borrower and the other Loan Parties under the Credit Agreement; and

WHEREAS, a condition precedent to the obligation of the Lenders and the Issuers to make their respective extensions of credit to the Borrower under the Credit Agreement is that the Guarantors shall have executed and delivered this Guaranty for the benefit of the Guarantied Parties;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1 Guaranty

(a) To induce the Lenders to make the Loans and the Issuers to issue Letters of Credit, each Guarantor hereby absolutely, unconditionally and irrevocably guarantees, as primary obligor and not merely as surety, the full and punctual payment when due, whether at stated maturity or earlier, by reason of acceleration, mandatory prepayment or otherwise in accordance herewith or any other Loan Document, of all the Obligations, whether or not from time to time reduced or extinguished or hereafter increased or incurred, whether or not recovery may be or hereafter may become barred by any statute of limitations, whether or not enforceable as against the Borrower, whether now or hereafter existing, and

whether due or to become due, including principal, interest (including interest at the contract rate applicable upon default accrued or accruing after the commencement of any proceeding under the Bankruptcy Code, whether or not such interest is an allowed claim in such proceeding) and fees and costs of collection. This Guaranty constitutes a guaranty of payment and not of collection.

(b) Each Guarantor further agrees that, if (i) any payment made by Borrower or any other person and applied to the Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid or (ii) the proceeds of Collateral are required to be returned by any Guarantied Party to the Borrower, its estate, trustee, receiver or any other party, including any Guarantor, under any bankruptcy law, equitable cause or any other Requirement of Law, then, to the extent of such payment or repayment, any such Guarantor's liability hereunder (and any Lien or other Collateral securing such liability) shall be and remain in full force and effect, as fully as if such payment had never been made. If, prior to any of the foregoing, this Guaranty shall have been cancelled or surrendered (and if any Lien or other Collateral securing such Guarantor's liability hereunder shall have been released or terminated by virtue of such cancellation or surrender), this Guaranty (and such Lien or other Collateral) shall be reinstated in full force and effect, and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of any such Guarantor in respect of the amount of such payment (or any Lien or other Collateral securing such obligation).

Section 2 Limitation of Guaranty

Any term or provision of this Guaranty or any other Loan Document to the contrary notwithstanding, the maximum aggregate amount of the Obligations for which any Subsidiary Guarantor shall be liable shall not exceed the maximum amount for which such Subsidiary Guarantor can be liable without rendering this Guaranty or any other Loan Document, as it relates to such Subsidiary Guarantor, subject to avoidance under applicable law relating to fraudulent conveyance or fraudulent transfer (including Section 548 of the Bankruptcy Code or any applicable provisions of comparable state law) (collectively, "*Fraudulent Transfer Laws*"), in each case after giving effect (a) to all other liabilities of such Subsidiary Guarantor, contingent or otherwise, that are relevant under such Fraudulent Transfer Laws (specifically excluding, however, any liabilities of such Subsidiary Guarantor in respect of intercompany Indebtedness to the Borrower to the extent that such Indebtedness would be discharged in an amount equal to the amount paid by such Subsidiary Guarantor hereunder) and (b) to the value as assets of such Subsidiary Guarantor (as determined under the applicable provisions of such Fraudulent Transfer Laws) of any rights to subrogation, contribution, reimbursement, indemnity or similar rights held by such Subsidiary Guarantor pursuant to (i) applicable Requirements of Law, (ii) *Section 3 (Contribution)* of this Guaranty or (iii) any other Contractual Obligations providing for an equitable allocation among such Subsidiary Guarantor and other Subsidiaries or Affiliates of the Borrower of obligations arising under this Guaranty or other guaranties of the Obligations by such parties.

Section 3 Contribution

To the extent that any Subsidiary Guarantor shall be required hereunder to pay a portion of the Obligations exceeding the greater of (a) the amount of the economic benefit actually received by such Subsidiary Guarantor from the Revolving Loans and the Term Loans and (b) the amount such Subsidiary Guarantor would otherwise have paid if such Subsidiary Guarantor had paid the aggregate amount of the Obligations (excluding the amount thereof repaid by the Borrower and the Parent) in the same proportion as such Subsidiary Guarantor's net worth at the date enforcement is sought hereunder bears to the aggregate net worth of all the Subsidiary Guarantors at the date enforcement is sought hereunder, then such Guarantor shall be reimbursed by such other Subsidiary Guarantors for the amount

of such excess, pro rata, based on the respective net worths of such other Subsidiary Guarantors at the date enforcement hereunder is sought.

Section 4 Authorization; Other Agreements

The Guarantied Parties are hereby authorized, without notice to, or demand upon, any Guarantor, which notice and demand requirements each are expressly waived hereby (to the extent permitted by law), and without discharging or otherwise affecting the obligations of any Guarantor hereunder (which obligations shall remain absolute and unconditional notwithstanding any such action or omission to act), from time to time, to do each of the following:

(a) supplement, renew, extend, accelerate or otherwise change the time for payment of, or other terms relating to, the Obligations, or any part of them, or otherwise modify, amend or change the terms of any promissory note or other agreement, document or instrument (including the other Loan Documents) now or hereafter executed by the Borrower and delivered to the Guarantied Parties or any of them, including any increase or decrease of principal or the rate of interest thereon;

(b) waive or otherwise consent to noncompliance with any provision of any instrument evidencing the Obligations, or any part thereof, or any other instrument or agreement in respect of the Obligations (including the other Loan Documents) now or hereafter executed by the Borrower and delivered to the Guarantied Parties or any of them;

(c) accept partial payments on the Obligations;

(d) receive, take and hold additional security or collateral for the payment of the Obligations or any part of them and exchange, enforce, waive, substitute, liquidate, terminate, abandon, fail to perfect, subordinate, transfer, otherwise alter and release any such additional security or collateral;

(e) settle, release, compromise, collect or otherwise liquidate the Obligations or accept, substitute, release, exchange or otherwise alter, affect or impair any security or collateral for the Obligations or any part of them or any other guaranty therefor, in any manner;

(f) add, release or substitute any one or more other guarantors, makers or endorsers of the Obligations or any part of them and otherwise deal with the Borrower or any other guarantor, maker or endorser;

(g) apply to the Obligations any payment or recovery (x) from the Borrower, from any other guarantor, maker or endorser of the Obligations or any part of them or (y) from any Guarantor in such order as provided herein, in each case whether such Obligations are secured or unsecured or guaranteed or not guaranteed by others;

(h) apply to the Obligations any payment or recovery from any Guarantor of the Obligations or any sum realized from security furnished by such Guarantor upon its indebtedness or obligations to the Guarantied Parties or any of them, in each case whether or not such indebtedness or obligations relate to the Obligations; and

(i) refund at any time any payment received by any Guarantied Party in respect of any Obligation, and payment to such Guarantied Party of the amount so refunded shall be fully

guaranteed hereby even though prior thereto this Guaranty shall have been cancelled or surrendered (or any release or termination of any Collateral by virtue thereof), and such prior cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligations of any Guarantor hereunder in respect of the amount so refunded (and any Collateral so released or terminated shall be reinstated with respect to such obligations);

even if any right of reimbursement or subrogation or other right or remedy of any Guarantor is extinguished, affected or impaired by any of the foregoing (including any election of remedies by reason of any judicial, non-judicial or other proceeding in respect of the Obligations that impairs any subrogation, reimbursement or other right of such Guarantor).

Section 5 Guaranty Absolute and Unconditional

Each Guarantor hereby waives any defense (other than payment in full) of a surety or guarantor or any other obligor on any obligations arising in connection with or in respect of any of the following and hereby agrees that its obligations under this Guaranty are absolute and unconditional and shall not be discharged or otherwise affected as a result of any of the following:

(a) the invalidity or unenforceability of any of the Borrower's obligations under the Credit Agreement or any other Loan Document or any other agreement or instrument relating thereto, or any security for, or other guaranty of the Obligations or any part of them, or the lack of perfection or continuing perfection or failure of priority of any security for the Obligations or any part of them;

(b) the absence of any attempt to collect the Obligations or any part of them from the Borrower or other action to enforce the same;

(c) failure by any Guarantied Party to take any steps to perfect and maintain any Lien on, or to preserve any rights to, any Collateral;

(d) any Guarantied Party's election, in any proceeding instituted under chapter 11 of the Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code;

(e) any borrowing or grant of a Lien by the Borrower, as debtor-in-possession, or extension of credit, under Section 364 of the Bankruptcy Code;

(f) the disallowance, under Section 502 of the Bankruptcy Code, of all or any portion of any Guarantied Party's claim (or claims) for repayment of the Obligations;

(g) any use of cash collateral under Section 363 of the Bankruptcy Code;

(h) any agreement or stipulation as to the provision of adequate protection in any bankruptcy proceeding;

(i) the avoidance of any Lien in favor of the Guarantied Parties or any of them for any reason;

(j) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against the Borrower, any Guarantor or any of the Parent's other Subsidiaries, including any discharge of, or bar or stay against collect-

ing, any Obligation (or any part of them or interest thereon) in or as a result of any such proceeding;

(k) failure by any Guarantied Party to file or enforce a claim against the Borrower or its estate in any bankruptcy or insolvency case or proceeding;

(l) any action taken by any Guarantied Party if such action is authorized hereby;

(m) any election following the occurrence of an Event of Default by any Guarantied Party to proceed separately against the personal property Collateral in accordance with such Guarantied Party's rights under the UCC or, if the Collateral consists of both personal and real property, to proceed against such personal and real property in accordance with such Guarantied Party's rights with respect to such real property; or

(n) any other circumstance that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor or any other obligor on any obligations, other than the payment in full of the Obligations.

Section 6 Waivers

Each Guarantor hereby waives diligence, promptness, presentment, demand for payment or performance and protest and notice of protest, notice of acceptance and any other notice in respect of the Obligations or any part of them, and any defense arising by reason of any disability or other defense of the Borrower. Each Guarantor shall not, until the Obligations are irrevocably paid in full and all Commitments have been terminated, assert any claim or counterclaim it may have against the Borrower or set off any of its obligations to the Borrower against any obligations of the Borrower to it. In connection with the foregoing, each Guarantor covenants that its obligations hereunder shall not be discharged, except by complete performance.

Section 7 Reliance

Each Guarantor hereby assumes responsibility for keeping itself informed of the financial condition of the Borrower and any endorser and other guarantor of all or any part of the Obligations, and of all other circumstances bearing upon the risk of nonpayment of the Obligations, or any part thereof, that diligent inquiry would reveal, and each Guarantor hereby agrees that no Guarantied Party shall have any duty to advise any Guarantor of information known to it regarding such condition or any such circumstances. In the event any Guarantied Party, in its sole discretion, undertakes at any time or from time to time to provide any such information to any Guarantor, such Guarantied Party shall be under no obligation (a) to undertake any investigation not a part of its regular business routine, (b) to disclose any information that such Guarantied Party, pursuant to accepted or reasonable commercial finance or banking practices, wishes to maintain confidential or (c) to make any other or future disclosures of such information or any other information to any Guarantor.

Section 8 Non-Enforcement of Subrogation and Contribution Rights

Until the Obligations have been irrevocably paid in full and all Commitments have been terminated, the Guarantors shall not enforce or otherwise exercise any right of subrogation to any of the rights of the Guarantied Parties or any part of them against the Borrower or any right of reimbursement or contribution or similar right against the Borrower by reason of this Agreement or by any payment made by any Guarantor in respect of the Obligations.

Section 9 Subordination

Each Guarantor hereby agrees that any Indebtedness of the Borrower now or hereafter owing to any Guarantor, whether heretofore, now or hereafter created (the "*Guarantor Subordinated Debt*"), is hereby subordinated to all of the Obligations and that, except as permitted under *Section 8.6 (Prepayment and Cancellation of Indebtedness)* of the Credit Agreement, the Guarantor Subordinated Debt shall not be paid in whole or in part until the Obligations have been paid in full and this Guaranty is terminated and of no further force or effect. No Guarantor shall accept any payment of or on account of any Guarantor Subordinated Debt at any time in contravention of the foregoing. Upon the occurrence and during the continuance of an Event of Default, the Borrower shall pay to the Administrative Agent any payment of all or any part of the Guarantor Subordinated Debt and any amount so paid to the Administrative Agent shall be applied to payment of the Obligations as provided in *Section 9.5 (Application of Proceeds)* of the Credit Agreement. Each payment on the Guarantor Subordinated Debt received in violation of any of the provisions hereof shall be deemed to have been received by such Guarantor as trustee for the Guarantied Parties and shall be paid over to the Administrative Agent immediately on account of the Obligations, but without otherwise affecting in any manner such Guarantor's liability hereof. Each Guarantor agrees to file all claims against the Borrower in any bankruptcy or other proceeding in which the filing of claims is required by law in respect of any Guarantor Subordinated Debt, and the Administrative Agent shall be entitled to all of such Guarantor's rights thereunder. If for any reason a Guarantor fails to file such claim at least ten Business Days prior to the last date on which such claim should be filed, such Guarantor hereby irrevocably appoints the Administrative Agent as its true and lawful attorney-in-fact and is hereby authorized to act as attorney-in-fact in such Guarantor's name to file such claim or, in the Administrative Agent's discretion, to assign such claim to and cause proof of claim to be filed in the name of the Administrative Agent or its nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to the Administrative Agent the full amount payable on the claim in the proceeding, and, to the full extent necessary for that purpose, each Guarantor hereby assigns to the Administrative Agent all of such Guarantor's rights to any payments or distributions to which such Guarantor otherwise would be entitled. If the amount so paid is greater than such Guarantor's liability hereunder, the Administrative Agent shall pay the excess amount to the party entitled thereto. In addition, each Guarantor hereby irrevocably appoints the Administrative Agent as its attorney-in-fact to exercise all of such Guarantor's voting rights in connection with any bankruptcy proceeding or any plan for the reorganization of the Borrower.

Section 10 Default; Remedies

The obligations of each Guarantor hereunder are independent of and separate from the Obligations. If any Obligation is not paid when due, or upon any Event of Default hereunder or upon any default by the Borrower as provided in any other instrument or document evidencing all or any part of the Obligations, the Administrative Agent may, at its sole election, proceed directly and at once, without notice, against any Guarantor to collect and recover the full amount or any portion of the Obligations then due, without first proceeding against the Borrower or any other guarantor of the Obligations, or against any Collateral under the Loan Documents or joining the Borrower or any other guarantor in any proceeding against any Guarantor. At any time after maturity of the Obligations, the Administrative Agent may (unless the Obligations have been irrevocably paid in full), without notice to any Guarantor and regardless of the acceptance of any Collateral for the payment hereof, appropriate and apply toward the payment of the Obligations (a) any indebtedness due or to become due from any Guarantied Party to such Guarantor and (b) any moneys, credits or other property belonging to such Guarantor at any time held by or coming into the possession of any Guarantied Party or any of its respective Affiliates.

Section 11 Irrevocability

This Guaranty shall be irrevocable as to the Obligations (or any part thereof) until the Commitments have been terminated and all monetary Obligations then outstanding have been paid in full, at which time this Guaranty shall automatically terminate and be cancelled. Upon such termination or cancellation and at the written request of any Guarantor or its successors or assigns, and at the cost and expense of such Guarantor or its successors or assigns, the Administrative Agent shall execute in a timely manner a satisfaction of this Guaranty and such instruments, documents or agreements as are necessary or desirable to evidence the termination of this Guaranty.

Section 12 Setoff

Upon the occurrence and during the continuance of an Event of Default, each Guarantied Party and each Affiliate of a Guarantied Party may, without notice to any Guarantor and regardless of the acceptance of any security or collateral for the payment hereof, appropriate and apply toward the payment of all or any part of the Obligations (a) any indebtedness due or to become due from such Guarantied Party or Affiliate to such Guarantor and (b) any moneys, credits or other property belonging to such Guarantor, at any time held by, or coming into, the possession of such Guarantied Party or Affiliate.

Section 13 No Marshalling

Each Guarantor consents and agrees that no Guarantied Party or Person acting for or on behalf of any Guarantied Party shall be under any obligation to marshal any assets in favor of any Guarantor or against or in payment of any or all of the Obligations.

Section 14 Enforcement; Amendments; Waivers

No delay on the part of any Guarantied Party in the exercise of any right or remedy arising under this Guaranty, the Credit Agreement, any other Loan Document or otherwise with respect to all or any part of the Obligations, the Collateral or any other guaranty of or security for all or any part of the Obligations shall operate as a waiver thereof, and no single or partial exercise by any such Person of any such right or remedy shall preclude any further exercise thereof. No modification or waiver of any provision of this Guaranty shall be binding upon any Guarantied Party, except as expressly set forth in a writing duly signed and delivered by the party making such modification or waiver. Failure by any Guarantied Party at any time or times hereafter to require strict performance by the Borrower, any Guarantor, any other guarantor of all or any part of the Obligations or any other Person of any provision, warranty, term or condition contained in any Loan Document now or at any time hereafter executed by any such Persons and delivered to any Guarantied Party shall not waive, affect or diminish any right of any Guarantied Party at any time or times hereafter to demand strict performance thereof and such right shall not be deemed to have been waived by any act or knowledge of any Guarantied Party, or its respective agents, officers or employees, unless such waiver is contained in an instrument in writing, directed and delivered to the Borrower or such Guarantor, as applicable, specifying such waiver, and is signed by the party or parties necessary to give such waiver under the Credit Agreement. No waiver of any Event of Default by any Guarantied Party shall operate as a waiver of any other Event of Default or the same Event of Default on a future occasion, and no action by any Guarantied Party permitted hereunder shall in any way affect or impair any Guarantied Party's rights and remedies or the obligations of any Guarantor under this Guaranty. Any final, non-appealable determination by a court of competent jurisdiction of the amount of any principal or interest owing by the Borrower to a Guarantied Party shall be conclusive and binding on each Guarantor irrespective of whether such Guarantor was a party to the suit or action in which such determination was made.

Section 15 Successors and Assigns

This Guaranty shall be binding upon each Guarantor and upon the successors and assigns of such Guarantors and shall inure to the benefit of the Guarantied Parties and their respective successors and assigns; all references herein to the Borrower and to the Guarantors shall be deemed to include their respective successors and assigns. The successors and assigns of the Guarantors and the Borrower shall include, without limitation, their respective receivers, trustees and debtors-in-possession. All references to the singular shall be deemed to include the plural where the context so requires.

Section 16 Representations and Warranties; Covenants

Each Guarantor hereby (a) represents and warrants that the representations and warranties as to such Guarantor made by the Borrower in *Article IV (Representations and Warranties)* of the Credit Agreement are true and correct on each date as required by *Section 3.2(b)(i) (Conditions Precedent to Each Loan and Letter of Credit)* of the Credit Agreement and (b) agrees to take, or refrain from taking, as the case may be, each action necessary to be taken or not taken, as the case may be, so that no Default or Event of Default is caused by the failure to take such action or to refrain from taking such action by such Guarantor.

Section 17 Governing Law

This Guaranty and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

Section 18 Submission to Jurisdiction; Service of Process

(a) Any legal action or proceeding with respect to this Guaranty, and any other Loan Document, may be brought in the courts of the State of New York located in the Borough and City of New York or of the United States of America for the Southern District of New York, and, by execution and delivery of this Agreement, each Guarantor hereby accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of *forum non conveniens*, that any of them may now or hereafter have to the bringing of any such action or proceeding in such respective jurisdictions**.**

(b) Each party hereto irrevocably consents to service of process in the manner provided for notices in *Section 11.8 (Notices, Etc.)* of the Credit Agreement and, in the case of any Guarantor, to such Guarantor in care of the Borrower. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by applicable law.

(c) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in Dollars into another currency, the parties hereto agree, to the fullest extent they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase Dollars with such other currency at the spot rate of exchange quoted by the Administrative Agent at 11:00 a.m. (New York time) on the Business Day preceding that on which final judgment is given, for the purchase of Dollars, for delivery two Business Days thereafter.

Section 19 Certain Terms

The following rules of interpretation shall apply to this Guaranty: (a) the terms "*herein*," "*hereof*," "*hereto*" and "*hereunder*" and similar terms refer to this Guaranty as a whole and not to any particular Article, Section, subsection or clause in this Guaranty, (b) unless otherwise indicated, references herein to an Exhibit, Article, Section, subsection or clause refer to the appropriate Exhibit to, or Article, Section, subsection or clause in this Guaranty and (c) the term "*including*" means "*including without limitation*" except when used in the computation of time periods.

Section 20 Waiver of Jury Trial

EACH OF THE ADMINISTRATIVE AGENT, THE OTHER GUARANTIED PARTIES AND EACH GUARANTOR IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS GUARANTY AND ANY OTHER LOAN DOCUMENT.

Section 21 Notices

Any notice or other communication herein required or permitted shall be given as provided in *Section 11.8 (Notices, Etc.)* of the Credit Agreement and, in the case of any Guarantor, to such Guarantor in care of the Borrower.

Section 22 Severability

Wherever possible, each provision of this Guaranty shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Guaranty shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Guaranty.

Section 23 Additional Guarantors

Each of the Guarantors agrees that, if, pursuant to *Section 7.11 (Additional Collateral and Guaranties)* of the Credit Agreement, the Borrower shall be required to cause any of their respective Subsidiaries that is not a Guarantor to become a Guarantor hereunder, or if for any reason the Borrower or the Parent desires any such Subsidiary to become a Guarantor hereunder, such Subsidiary shall execute and deliver to the Administrative Agent a Guaranty Supplement in substantially the form of *Exhibit A (Guaranty Supplement)* attached hereto and shall thereafter for all purposes be a party hereto and have the same rights, benefits and obligations as a Guarantor party hereto on the Closing Date.

Section 24 Collateral

Each Guarantor hereby acknowledges and agrees that its obligations under this Guaranty are secured pursuant to the terms and provisions of the Collateral Documents executed by it in favor of the Administrative Agent, for the benefit of the Secured Parties, and covenants that it shall not grant any Lien (other than Liens permitted under *Section 8.2 (Liens, Etc.)* of the Credit Agreement) with respect to its Property in favor, or for the benefit, of any Person other than the Administrative Agent, for the benefit of the Secured Parties.

Section 25 Costs and Expenses

Each Guarantor agrees to pay or reimburse the Administrative Agent and each of the other Guarantied Parties upon demand for all reasonable out-of-pocket costs and expenses, including reasonable attorneys' fees (including costs of settlement), incurred by the Administrative Agent or such other Guarantied Parties in enforcing this Guaranty or any security therefor or exercising or enforcing any other right or remedy available in connection herewith or therewith.

Section 26 Waiver of Consequential Damages

EACH GUARANTOR, TO THE MAXIMUM EXTENT NOT PROHIBITED BY LAW, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, RELEASES AND AGREES NOT TO SUE UPON ANY CLAIM, WHETHER OR NOT ACCRUED AND WHETHER OR NOT SUSPECTED TO EXIST IN ITS FAVOR, FOR ANY SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOSS OR PROFITS, BUSINESS OR ANTICIPATED SAVINGS) IN RESPECT OF THIS GUARANTY OR ANY OTHER LOAN DOCUMENT. EACH GUARANTOR ALSO AGREES TO BE BOUND BY THE PROVISION OF SECTION 11.5 (LIMITATION OF LIABILITY) OF THE CREDIT AGREEMENT.

Section 27 Entire Agreement

This Guaranty, taken together with all of the other Loan Documents executed and delivered by the Guarantors, represents the entire agreement and understanding of the parties hereto and supersedes all prior understandings, written and oral, relating to the subject matter hereof.

Section 28 Termination

This Guaranty (other than the reinstatement provisions of *Section 1(b) (Guaranty)*, *Section 18 (Submission to Jurisdiction; Service of Process)*, *Section 20 (Waiver of Jury Trial)*, *Section 25 (Costs and Expenses)*, and *Section 26 (Waiver of Consequential Damages)*) shall terminate upon the "payment in full" (as defined in the Credit Agreement) of the "Secured Obligations" (as defined in the Credit Agreement).

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, this Guaranty has been duly executed by the Guarantors as of the day and year first set forth above.

PRESTIGE BRANDS HOLDINGS, INC.
As Parent

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

Subsidiary Guarantors:

MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY

By: /s/ Peter J. Anderson
Name: Peter J. Anderson
Title: Chief Financial Officer

ACKNOWLEDGED AND AGREED
as of the date first above written:

BANK OF AMERICA, N.A.
as Administrative Agent

By: /s/ Don B. Pinzon
Name: Don B. Pinzon
Title: Vice President

Exhibit 10.4

EXECUTION VERSION

PURCHASE AGREEMENT

March 10, 2010

Banc of America Securities LLC
Deutsche Bank Securities Inc.
As Representatives of the Initial Purchasers
c/o Banc of America Securities LLC
One Bryant Park
New York, New York 10036

Ladies and Gentlemen:

Introductory. Prestige Brands, Inc. (the "**Company**"), a Delaware corporation and a direct wholly-owned subsidiary of Prestige Brands Holdings, Inc. ("**Parent**"), proposes to issue and sell to the several Initial Purchasers named in Schedule A (each an "**Initial Purchaser**" and together, the "**Initial Purchasers**"), acting severally and not jointly, the respective amounts set forth in such Schedule A of $150,000,000 aggregate principal amount of the Company's 8.25% Senior Notes due 2018 (the "**Notes**"). Banc of America Securities LLC and Deutsche Bank Securities Inc. have agreed to act as the representatives of the several Initial Purchasers (in such capacity, the "**Representatives**") in connection with the offering and sale of the Notes.

The Securities (as defined below) will be issued pursuant to an indenture to be dated as of March 24, 2010 (the "**Indenture**"), among the Company, the Guarantors (as defined below) and U.S. Bank National Association, as trustee (the "**Trustee**"). Notes will be issued only in book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company (the "**Depositary**") pursuant to a letter of representations, to be dated on or before the Closing Date (as defined in Section 2 hereof) (the "**DTC Agreement**"), among the Company, the Trustee and the Depositary.

The holders of the Notes will be entitled to the benefits of a registration rights agreement to be dated as of March 24, 2010 (the "**Registration Rights Agreement**"), among the Company, the Guarantors and the Initial Purchasers, pursuant to which the Company and the Guarantors may be required to file with the Commission (as defined below), under the circumstances set forth therein, (i) a registration statement under the Securities Act (as defined below) relating to another series of debt securities of the Company with terms substantially identical to the Notes (the "**Exchange Notes**") to be offered in exchange for the Notes (the "**Exchange Offer**") and (ii) a shelf registration statement pursuant to Rule 415 of the Securities Act relating to the resale by certain holders of the Notes, and in each case, to use its commercially reasonable efforts to cause such registration statements to be declared effective. All references herein to the Exchange Notes and the Exchange Offer are only applicable if the Company and the Guarantors are in fact required to consummate the Exchange Offer pursuant to the terms of the Registration Rights Agreement.

The payment of principal of, premium, if any, and interest on the Notes will be fully and unconditionally guaranteed on a senior unsecured basis, jointly and severally by (i) Parent and

the subsidiary guarantors listed on the signature pages hereof as "Guarantors" and (ii) any subsidiary of the Company formed or acquired after the Closing Date that executes an additional guarantee in accordance with the terms of the Indenture, and their respective successors and assigns (the entities described in clauses (i) and (ii), collectively, the "**Guarantors**"), pursuant to their guarantees (the "**Guarantees**"). The Notes and the Guarantees attached thereto are herein collectively referred to as the "**Securities**"; and the Exchange Notes and the Guarantees attached thereto are herein collectively referred to as the "**Exchange Securities**."

In connection with the issuance of the Securities, the Company (i) has commenced a cash tender offer (the "**Tender Offer**") for all of the Company's outstanding 9-1/4% Senior Subordinated Notes due 2012 (the "**2012 Notes**") upon the terms and subject to the conditions set forth in that certain Offer to Purchase and Consent Solicitation Statement dated as of March 10, 2010 (the "**Offer to Purchase**"), (ii) is soliciting consents (the "**Consent Solicitation**") of registered holders of the 2012 Notes to certain proposed amendments to the indenture dated as of April 6, 2004, among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee (in such capacity, the "**2012 Trustee**") and the supplements thereto governing the 2012 Notes (together, the "**2012 Indenture**"), (iii) will pay in full all amounts outstanding (including all accrued and deferred interest) and terminate all commitments under its senior secured credit facility dated as of April 6, 2004, as amended (the "**Existing Credit Facility**") and (iv) will enter into new senior secured credit facilities, among the Company as borrower thereunder, Banc of America Securities LLC as Joint-Lead Arranger and Joint Book-Running Manager, Bank of America, N.A. as Administrative Agent, Deutsche Bank Securities Inc. as Joint-Lead Arranger, Joint Book-Running Manager and Syndication Agent, and the lenders and guarantors party thereto, (the "**New Credit Facilities**"). The net proceeds from the sale of the Securities, together with borrowings under the New Credit Facilities and cash on hand will be used to purchase, redeem or otherwise retire all of the outstanding 2012 Notes and to repay all amounts outstanding under the Existing Credit Facility and terminate the associated credit agreement.

The Company understands that the Initial Purchasers propose to make an offering of the Securities on the terms and in the manner set forth herein and in the Pricing Disclosure Package (as defined below) and agrees that the Initial Purchasers may resell, subject to the conditions set forth herein, all or a portion of the Securities to purchasers (the "**Subsequent Purchasers**") on the terms set forth in the Pricing Disclosure Package (the first time at which sales of the Securities are made is referred to as the "**Time of Sale**"). The Securities are to be offered and sold to or through the Initial Purchasers without being registered with the Securities and Exchange Commission (the "**Commission**") under the Securities Act of 1933 (as amended, the "**Securities Act**," which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder), in reliance upon exemptions therefrom. Pursuant to the terms of the Securities and the Indenture, investors who acquire Securities shall be deemed to have agreed that Securities may only be resold or otherwise transferred, after the date hereof, if such Securities are registered for sale under the Securities Act or if an exemption from the registration requirements of the Securities Act is available (including the exemptions afforded by Rule 144A under the Securities Act ("**Rule 144A**") or Regulation S under the Securities Act ("**Regulation S**").

The Company has prepared and delivered to each Initial Purchaser copies of a Preliminary Offering Memorandum, dated March 10, 2010 (the "**Preliminary Offering Memorandum**"), and has prepared and delivered to each Initial Purchaser copies of a Pricing Supplement,

dated March 10, 2010 (the "**Pricing Supplement**"), describing the terms of the Securities, each for use by such Initial Purchaser in connection with its solicitation of offers to purchase the Securities. The Preliminary Offering Memorandum and the Pricing Supplement, including those documents incorporated by reference therein, are herein referred to as the "**Pricing Disclosure Package**." Promptly after this Agreement is executed and delivered, the Company will prepare and deliver to each Initial Purchaser a final offering memorandum dated the date hereof (the "**Final Offering Memorandum**").

All references herein to the terms "Pricing Disclosure Package" and "Final Offering Memorandum" shall be deemed to mean and include all information filed under the Securities Exchange Act of 1934 (as amended, the "**Exchange Act**," which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder) prior to the Time of Sale and incorporated by reference in the Pricing Disclosure Package (including the Preliminary Offering Memorandum) or the Final Offering Memorandum (as the case may be), and all references herein to the terms "**amend**," "**amendment**" or "**supplement**" with respect to the Final Offering Memorandum shall be deemed to mean and include all information filed under the Exchange Act after the Time of Sale and incorporated by reference in the Final Offering Memorandum.

The Company hereby confirms its agreements with the Initial Purchasers as follows:

SECTION 1**.** **Representations and Warranties**. Each of the Company and the Guarantors, jointly and severally, hereby represents, warrants and covenants to each Initial Purchaser that, as of the date hereof and as of the Closing Date (references in this Section 1 to the "**Offering Memorandum**" are to (x) the Pricing Disclosure Package in the case of representations and warranties made as of the date hereof and (y) the Final Offering Memorandum in the case of representations and warranties made as of the Closing Date):

(a) **No Registration Required.** Subject to compliance by the Initial Purchasers with the representations and warranties set forth in Section 2 hereof and with the procedures set forth in Section 7 hereof, it is not necessary in connection with the offer, sale and delivery of the Securities to the Initial Purchasers and to each Subsequent Purchaser in the manner contemplated by this Agreement and the Offering Memorandum to register the Securities under the Securities Act or, until such time as the Exchange Securities are issued pursuant to an effective registration statement, to qualify the Indenture under the Trust Indenture Act of 1939 (the "**Trust Indenture Act**," which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder).

(b) **No Integration of Offerings or General Solicitation.** None of the Company, its affiliates (as such term is defined in Rule 501 under the Securities Act, hereinafter an "**Affiliate**"), or any person acting on its or any of their behalf (other than the Initial Purchasers, as to whom the Company makes no representation or warranty) has, directly or indirectly, solicited any offer to buy or offered to sell, or will, directly or indirectly, solicit any offer to buy or offer to sell, in the United States or to any United States citizen or resident, any security which is or would be integrated with the sale of the Securities in a manner that would require the Securities to be registered under the Securities Act. None of the Company, its Affiliates, or any person acting on its or any of their behalf (other

than the Initial Purchasers, as to whom the Company makes no representation or warranty) has engaged or will engage, in connection with the offering of the Securities, in any form of general solicitation or general advertising within the meaning of Rule 502 under the Securities Act. With respect to those Securities sold in reliance upon Regulation S, (i) none of the Company, its Affiliates or any person acting on its or their behalf (other than the Initial Purchasers, as to whom the Company makes no representation or warranty) has engaged or will engage in any directed selling efforts within the meaning of Regulation S and (ii) each of the Company and its Affiliates and any person acting on its or their behalf (other than the Initial Purchasers, as to whom the Company makes no representation or warranty) has complied and will comply with the offering restrictions set forth in Regulation S.

(c) **Eligibility for Resale under Rule 144A.** The Securities are eligible for resale pursuant to Rule 144A and will not be, at the Closing Date, of the same class as securities listed on a national securities exchange registered under Section 6 of the Exchange Act or quoted in a U.S. automated interdealer quotation system.

(d) **The Pricing Disclosure Package and Offering Memorandum.** Neither the Pricing Disclosure Package, as of the Time of Sale, nor the Final Offering Memorandum, as of its date or (as amended or supplemented in accordance with Section 3(a), as applicable) as of the Closing Date, contains or represents an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that this representation, warranty and agreement shall not apply to statements in or omissions from the Pricing Disclosure Package, the Final Offering Memorandum or any amendment or supplement thereto made in reliance upon and in conformity with information furnished to the Company in writing by any Initial Purchaser through the Representatives expressly for use in the Pricing Disclosure Package, the Final Offering Memorandum or amendment or supplement thereto, as the case may be. The Pricing Disclosure Package contains, and the Final Offering Memorandum will contain, all the information specified in, and meeting the requirements of, Rule 144A. The Company has not distributed and will not distribute, prior to the later of the Closing Date and the completion of the Initial Purchasers' distribution of the Securities, any offering material in connection with the offering and sale of the Securities other than the Pricing Disclosure Package and the Final Offering Memorandum.

(e) **Company Additional Written Communications.** The Company has not prepared, made, used, authorized, approved or distributed and will not prepare, make, use, authorize, approve or distribute any written communication that constitutes an offer to sell or solicitation of an offer to buy the Securities other than (i) the Pricing Disclosure Package, (ii) the Final Offering Memorandum and (iii) any electronic road show or other written communications, in each case used in accordance with Section 3(a). Each such communication by the Company or its agents and representatives pursuant to clause (iii) of the preceding sentence (each, a "**Company Additional Written Communication**"), when taken together with the Pricing Disclosure Package, did not as of the Time of Sale, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the

circumstances under which they were made, not misleading; provided that this representation, warranty and agreement shall not apply to statements in or omissions from each such Company Additional Written Communication made in reliance upon and in conformity with information furnished to the Company in writing by any Initial Purchaser through the Representatives expressly for use in any Company Additional Written Communication.

(f) **Incorporated Documents.** The documents incorporated or deemed to be incorporated by reference in the Offering Memorandum at the time they were or hereafter are filed with the Commission (collectively, the "**Incorporated Documents**") complied and will comply in all material respects with the requirements of the Exchange Act. Each such Incorporated Document, when taken together with the Pricing Disclosure Package, did not as of the Time of Sale, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) **The Purchase Agreement.** This Agreement has been duly authorized, executed and delivered by the Company and each Guarantor.

(h) **The Registration Rights Agreement and DTC Agreement.** The Registration Rights Agreement has been duly authorized and, on the Closing Date, will have been duly executed and delivered by, and will constitute a valid and binding agreement of, the Company and each Guarantor, enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles and except as rights to indemnification may be limited by applicable law. The DTC Agreement has been duly authorized and, on the Closing Date, will have been duly executed and delivered by, and will constitute a valid and binding agreement of, the Company, enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles.

(i) **Authorization of the Notes, the Guarantees and the Exchange Notes.** The Notes to be purchased by the Initial Purchasers from the Company will on the Closing Date be in the form contemplated by the Indenture, have been duly authorized for issuance and sale pursuant to this Agreement and the Indenture and, at the Closing Date, will have been duly executed by the Company and, when authenticated in the manner provided for in the Indenture and delivered against payment of the purchase price therefor, will constitute valid and binding obligations of the Company, enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles and will be entitled to the benefits of the Indenture. The Exchange Notes have been duly and validly authorized for issuance by the Company, and when issued and authenticated in accordance with the terms of the Indenture, the Registration Rights Agreement and the Exchange Offer, will

constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting enforcement of the rights and remedies of creditors or by general principles of equity and will be entitled to the benefits of the Indenture. The Guarantees of the Notes on the Closing Date and the Guarantees of the Exchange Notes when issued will be in the respective forms contemplated by the Indenture and have been duly authorized for issuance pursuant to this Agreement and the Indenture; the Guarantees of the Notes, at the Closing Date, will have been duly executed by each of the Guarantors and, when the Notes have been authenticated in the manner provided for in the Indenture and issued and delivered against payment of the purchase price therefor, the Guarantees of the Notes will constitute valid and binding agreements of the Guarantors; and, when the Exchange Notes have been authenticated in the manner provided for in the Indenture and issued and delivered in accordance with the Registration Rights Agreement, the Guarantees of the Exchange Notes will constitute valid and binding agreements of the Guarantors, in each case, enforceable in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles and will be entitled to the benefits of the Indenture.

(j) **Authorization of the Indenture.** The Indenture has been duly authorized by the Company and each Guarantor and, at the Closing Date, will have been duly executed and delivered by the Company and each Guarantor and will constitute a valid and binding agreement of the Company and each Guarantor, enforceable against the Company and each Guarantor in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the rights and remedies of creditors or by general equitable principles.

(k) **Description of the Securities and the Indenture.** The descriptions of the Securities, the Exchange Securities, the Indenture and the Registration Rights Agreement contained in the Offering Memorandum conform in all material respects to the terms of the Securities, the Exchange Securities and the Indenture.

(l) **No Material Adverse Effect.** Except as otherwise disclosed in the Offering Memorandum (exclusive of any amendment or supplement thereto), subsequent to the respective dates as of which information is given in the Offering Memorandum (exclusive of any amendment or supplement thereto): (i) there has been no material adverse effect, or any development that could reasonably be expected to result in a material adverse effect, on the condition (financial or otherwise) ,prospects, earnings, business or properties of Parent and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a "***Material Adverse Effect***"); (ii) the Company and its subsidiaries, considered as one entity, have not incurred any material liability or obligation, indirect, direct or contingent, not in the ordinary course of business nor entered into any material transaction or agreement not in the ordinary course of business; and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Company or, except for dividends paid to the

Company or other subsidiaries, any of its subsidiaries on any class of capital stock or repurchase or redemption by the Company or any of its subsidiaries of any class of capital stock.

(m) **Independent Accountants.** PricewaterhouseCoopers LLP, which expressed its opinion with respect to certain of the financial statements (which term as used in this Agreement includes the related notes thereto) and supporting schedules included or incorporated by reference in the Offering Memorandum, is an independent registered public accounting firm within the meaning of the Securities Act, the Exchange Act and the rules of the Public Company Accounting Oversight Board, and any non-audit services provided by PricewaterhouseCoopers LLP to the Company or any of the Guarantors have been approved by the Audit Committee of the Board of Directors of the Parent.

(n) **Preparation of the Financial Statements.** The financial statements, together with the related schedules and notes, included or incorporated by reference in the Offering Memorandum present fairly in all material respects the consolidated financial position of the entities to which they relate as of and at the dates indicated and the results of their operations and cash flows for the periods specified. Such financial statements have been prepared in conformity with generally accepted accounting principles as applied in the United States applied on a consistent basis throughout the periods involved, except as may be expressly stated in the related notes thereto. The financial data set forth in the Offering Memorandum under the caption "Summary–Summary Selected Financial Data" fairly present the information set forth therein on a basis consistent with that of the audited financial statements contained or incorporated by reference in the Offering Memorandum. The statistical and market-related data and forward-looking statements included or incorporated by reference in the Offering Memorandum are based on or derived from sources that Parent, the Company and their subsidiaries believe to be reliable and accurate in all material respects and represent their good faith estimates that are made on the basis of data derived from such sources.

(o) **Incorporation and Good Standing of the Company, the Guarantors and each of their Subsidiaries.** Each of the Company, the Guarantors and their respective subsidiaries has been duly incorporated or formed, as applicable, and is validly existing as a corporation, limited partnership or limited liability company, as applicable, in good standing under the laws of the jurisdiction of its incorporation or formation, as applicable, and has corporate, partnership or limited liability company, as applicable, power and authority to own, lease and operate its properties and to conduct its business as described in the Offering Memorandum and, in the case of the Company and the Guarantors, to enter into and perform its obligations under each of this Agreement, the Registration Rights Agreement, the DTC Agreement, the Securities, the Exchange Securities and the Indenture. Each of the Company, the Guarantors and their respective subsidiaries is duly qualified as a foreign corporation, limited partnership or limited liability company, as applicable, to transact business and is in good standing or equivalent status in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except for such jurisdictions where the failure to so qualify or to be in good standing (i) would not reasonably be expected to have a material adverse effect on the performance of this

Agreement, the Registration Rights Agreement, the DTC Agreement, the Securities, the Exchange Securities and the Indenture, or the consummation of any of the transactions contemplated hereby or thereby or (ii) would not, individually or in the aggregate, result in a Material Adverse Effect. All the outstanding shares of capital stock or limited liability company interests of each of the Company, the Guarantors and each of their respective subsidiaries have been duly authorized and validly issued and are fully paid and nonassessable and, except as otherwise set forth in the Offering Memorandum, all outstanding shares of capital stock or limited liability company interests of each subsidiary are owned by Parent either directly or through wholly owned subsidiaries free and clear of any security interest, mortgage, pledge, lien, encumbrance or claim. Parent does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2009.

(p) **Non-Contravention of Existing Instruments; No Further Authorizations or Approvals Required.** Neither the Company, the Guarantors nor any of their respective subsidiaries is (i) in violation of its charter, bylaws or other constitutive document; (ii) in default (or, with the giving of notice or lapse of time, would be in default) ("**Default**") under any indenture, mortgage, loan or credit agreement, note, contract, franchise, lease or other instrument to which the Company, any Guarantor or any of their respective subsidiaries is a party or by which it or any of them may be bound (including without limitation, the Existing Credit Facility and the 2012 Indenture or to which any of the property or assets of the Company, any Guarantor or any of their respective subsidiaries is subject (each, an "**Existing Instrument**"); or (iii) in violation under any statute, law, rule, regulation, judgment, order or decree applicable to the Company, any Guarantor or any of their respective subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company, any Guarantor or any such subsidiary or any of its properties, as applicable, except, in the case of clauses (ii) and (iii) above where such violation or Default, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. The Company's and each Guarantors execution, delivery and performance of this Agreement, the Registration Rights Agreement, the DTC Agreement, the Indenture, the New Credit Facilities, the issuance and delivery of the Securities and the Exchange Securities, the consummation of any other of the transactions contemplated hereby and thereby and by the Offering Memorandum, and the performance by the Company or any Guarantor of its obligations hereunder or thereunder (i) have been duly authorized by all necessary corporate action and will not result in any violation of the provisions of the charter, bylaws or other constitutive document of the Company, any Guarantor or any of their respective subsidiaries, (ii) will not conflict with or constitute a breach of, or Default or a Debt Repayment Triggering Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company, any Guarantor or any of their respective subsidiaries pursuant to, or require the consent of any other party to, any Existing Instrument and (iii) will not result in the violation of any statute, law, rule, regulation, judgment, order or decree applicable to the Company, any Guarantor or any of their respective subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having

jurisdiction over the Company, any Guarantor or any of their respective subsidiaries or any of its or their properties, as applicable, except, in the case of clauses (ii) and (iii) above, where such conflicts, breaches, Defaults, liens, charges or encumbrances, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. No consent, approval, authorization or other order of, or registration or filing with, any court or other governmental or regulatory authority or agency is required for the Company's execution, delivery and performance of this Agreement, the Registration Rights Agreement, the DTC Agreement or the Indenture, or the issuance and delivery of the Securities or the Exchange Securities, or consummation of the transactions contemplated hereby and thereby and by the Offering Memorandum, except such as have been obtained or made by the Company and are in full force and effect under the Securities Act, applicable securities laws of the several states of the United States or provinces of Canada and except such as may be required by the securities laws of the several states of the United States or provinces of Canada with respect to the Company's obligations under the Registration Rights Agreement. As used herein, a "**Debt Repayment Triggering Event**" means any event or condition which gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Parent or any of its subsidiaries.

(q) **No Material Actions or Proceedings**. No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company, any Guarantor or any of their respective subsidiaries or properties is pending or, to the knowledge of Parent and the Company, threatened that would reasonably be expected to have a Material Adverse Effect, except as set forth in or contemplated in the Offering Memorandum (exclusive of any amendment or supplement thereto).

(r) **Intellectual Property Rights.** Parent and its subsidiaries own, possess, license or otherwise have the right to use, all patents, trademarks, service marks, trade names, copyrights, Internet domain names (in each case including all registrations and applications to register same), inventions, trade secrets, technology, know-how and other intellectual property necessary for the conduct of Parent's and its subsidiaries' business as now conducted and as currently proposed to be conducted (collectively, the "**Intellectual Property**"), except where the failure to own, possess, license or have the right to so use would not reasonably be expected to have a Material Adverse Effect. Except as set forth in the Offering Memorandum, and except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) Parent or one of its subsidiaries owns, or has the right to use, all the Intellectual Property free and clear in all material respects of all adverse claims, liens or other encumbrances; (ii) to the knowledge of Parent and the Company, there is no material infringement by third parties of any such Intellectual Property; (iii) there is no pending or, to the knowledge of Parent and the Company,

threatened action, suit, proceeding or claim by any third party challenging Parent's or its subsidiaries' rights in or to any such Intellectual Property, and the Company is unaware of any facts that would form a reasonable basis for any such claim; (iv) there is no pending or, to the knowledge of Parent and the Company, threatened action, suit, proceeding or claim by any third party challenging the validity or scope of any such Intellectual Property, and the Company is unaware of any facts that would form a reasonable basis for any such claim; and (v) there is no pending or threatened action, suit, proceeding or claim by others that Parent or any subsidiary infringes or otherwise violates any patent, trademark, copyright, trade secret or other intellectual property rights of any third party, and the Company is unaware of any fact that would form a reasonable basis for any such claim.

(s) **All Necessary Permits, etc.** Each of the Company, the Guarantors and their respective subsidiaries possess all licenses, certificates, permits and other authorizations issued by the appropriate U.S. federal, state or non-U.S. regulatory authorities necessary to conduct their respective businesses, except where the failure to possess such licenses, certificates, permits or other authorizations would not reasonably be expected to have a Material Adverse Effect, and neither the Company, the Guarantors nor any of their respective subsidiaries have received any notice of proceedings relating to the revocation or modification of any such license, certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to have a Material Adverse Effect, except as discussed in the Offering Memorandum (exclusive of any amendment or supplement thereto).

(t) **Title to Properties.** Each of the Company, the Guarantors and their respective subsidiaries owns or leases all such properties as are necessary to the conduct of their respective operations as presently conducted, except where the failure to own or lease a property or properties would not reasonably be expected to have a Material Adverse Effect.

(u) **Tax Law Compliance.** Each of the Company, the Guarantors and each of their subsidiaries has filed all non-U.S., U.S. federal, state and local tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect and except as set forth in or contemplated in the Offering Memorandum (exclusive of any amendment or supplement thereto)) and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or the non-payment of which would not reasonably be expected to have a Material Adverse Effect and except as set forth in or contemplated in the Offering Memorandum (exclusive of any amendment or supplement thereto).

(v) **Company and Guarantors Not an "Investment Company".** The Company has been advised of the rules and requirements under the Investment Company Act of 1940, as amended (the "**Investment Company Act**," which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder). Neither the Company nor any Guarantor is, or after receipt of payment for the Securities will be, an "investment company" within the meaning of the Investment Company Act and will conduct its business in a manner so that it will not become subject to the Investment Company Act.

(w) **Insurance**. Each of the Company, the Guarantors and their subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged.

(x) **No Price Stabilization or Manipulation.** None of the Company or any of the Guarantors has taken or will take, directly or indirectly, any action designed to or that might be reasonably expected to cause or result, in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

(y) **Solvency.** Each of the Company and the Guarantors is, and immediately after the Closing Date will be, Solvent. As used herein, the term "**Solvent**" means, with respect to any person on a particular date, that on such date (i) the fair market value of the assets of such person is greater than the total amount of liabilities (including contingent liabilities) of such person, (ii) the present fair salable value of the assets of such person is greater than the amount that will be required to pay the probable liabilities of such person on its debts as they become absolute and matured, (iii) such person is able to realize upon its assets and pay its debts and other liabilities, including contingent obligations, as they mature and (iv) such person does not have unreasonably small capital.

(z) **Compliance with Sarbanes-Oxley.** Parent and its subsidiaries and their respective officers and directors are in compliance with the applicable provisions of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act,**" which term, as used herein, includes the rules and regulations of the Commission promulgated thereunder).

(aa) **Company's Accounting System.** Parent and its subsidiaries, on a consolidated basis, maintain a system of internal controls over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that is in compliance with the Exchange Act and is designed to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles as applied in the United States and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Parent's independent registered public accounting firm and the Audit Committee of the Board of Directors of Parent have been advised of: (i) any significant deficiencies or material weaknesses in the design or operation of internal control over financial reporting which could adversely affect Parent's ability to record, process, summarize, and report financial data; and (ii) any fraud, whether or not material, that involves management or other employees who have a role in Parent's internal control over financial reporting; and since the date of the most recent evaluation of such internal control, there have been no significant changes in internal control or in other factors that could significantly affect internal control, including any corrective actions with regard to significant deficiencies and material weaknesses.

(bb) **Disclosure Controls and Procedures.** Parent has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-15e and 15d-15 under the Exchange Act) that are designed to ensure that material information relating to Parent and its subsidiaries is made known to the chief executive officer and chief financial officer of Parent by others within Parent or any of its subsidiaries, and such disclosure controls and procedures are reasonably effective to perform the functions for which they were established subject to the limitations of any such control system.

(cc) **Regulations T, U, X.** Neither the Company nor any Guarantor nor any of their respective subsidiaries nor any agent thereof acting on their behalf has taken, and none of them will take, any action that might cause this Agreement or the issuance or sale of the Securities to violate Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System.

(dd) **Compliance with and Liability under Environmental Laws.** Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect: (i) each of Parent and its subsidiaries and their respective operations and facilities, and to the knowledge of Responsible Officers (defined below) of the Parent and the Company the operations, real property and other assets of the persons providing manufacturing, warehousing and/or distribution services to Parent and each of its Subsidiaries (in each case solely to the extent related to the performance of such services) ("**Service Contractors**"), and their respective operations and facilities, are in compliance with, and not subject to any known liabilities under, applicable Environmental Laws, which compliance includes, without limitation, having obtained and being in compliance with any permits, licenses or other governmental authorizations or approvals, and having made all filings and provided all financial assurances and notices, required for the ownership and operation of their respective businesses, properties and facilities under applicable Environmental Laws, and compliance with the terms and conditions thereof; (ii) neither Parent nor any of its subsidiaries has received any written communication, whether from a governmental authority, citizens group, employee or otherwise, that alleges that Parent or any of its subsidiaries is in violation of any Environmental Law; (iii) there is no claim, action or cause of action filed with a court or governmental authority, no investigation with respect to which Parent has received written notice, and no written notice by any person or entity alleging actual or potential liability on the part of Parent or any of its subsidiaries based on or pursuant to any Environmental Law pending or, to the knowledge of Parent and the Company, threatened against Parent or any of its subsidiaries or any person or entity whose liability under or pursuant to any Environmental Law Parent or any of its subsidiaries has retained or assumed either contractually or by operation of law; (iv) neither Parent nor any of its subsidiaries is conducting or paying for, in whole or in part, any investigation, response or other corrective action pursuant to any Environmental Law at any site or facility, nor is any of them subject or a party to any order, judgment, decree, contract or agreement which imposes any obligation or liability under any Environmental Law; (v) no lien, charge, encumbrance or restriction has been recorded pursuant to any Environmental Law with respect to any assets, facility or property owned, operated or leased by Parent or any of its subsidiaries; and (vi) there are no past or present actions, activities, circumstances, conditions or occurrences, including, without limitation, the Release or threatened Release of any Material of Environmental Concern

or distribution of any product,, that could reasonably be expected to result in a violation of or liability under any Environmental Law on the part of Parent or any of its subsidiaries, or to the knowledge of the Responsible Officers of the Parent and the Company on the part of any Service Contractor, including without limitation, any such liability which Parent or any of its subsidiaries has retained or assumed either contractually or by operation of law.

For purposes of this Agreement, "**Environment**" means ambient air, indoor air, surface water, groundwater, drinking water, soil, surface and subsurface strata, and natural resources such as wetlands, flora and fauna. "**Environmental Laws**" means the common law and all federal, state, local and foreign laws or regulations, ordinances, codes, orders, decrees, judgments and injunctions issued, promulgated or entered thereunder, relating to pollution or protection of the Environment or human health, including without limitation, those relating to (i) the Release or threatened Release of Materials of Environmental Concern; and (ii) the manufacture, processing, distribution, use, generation, treatment, storage, transport, handling or recycling of Materials of Environmental Concern. "**Materials of Environmental Concern**" means any substance, material, pollutant, contaminant, chemical, waste, compound, or constituent, in any form, including without limitation, petroleum and petroleum products, and pesticides, subject to regulation or which can give rise to liability under any Environmental Law. "**Release**" means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection or leaching into the Environment, or into, from or through any building, structure or facility. For purposes of this Section 1(dd) only, "**Responsible Officer**" means, with respect to any person, any of the principal executive officers, managing members or general partners of such person but, in any event, with respect to financial matters, the chief financial officer of such person.

(ee) **ERISA Compliance.** Parent and its subsidiaries and any "employee benefit plan" (as defined under the Employee Retirement Income Security Act of 1974 (as amended, "**ERISA,**" which term, as used herein, includes the regulations and published interpretations thereunder) established or maintained by Parent, its subsidiaries or their ERISA Affiliates (as defined below) are in compliance in all material respects with ERISA and, to the knowledge of Parent and the Company, each "multiemployer plan" (as defined in Section 4001 of ERISA) to which Parent, its subsidiaries or an ERISA Affiliate contributes (a "**Multiemployer Plan**") is in compliance in all material respects with ERISA. "**ERISA Affiliate**" means, with respect to Parent or a subsidiary, any member of any group of organizations described in Section 414 of the Internal Revenue Code of 1986 (as amended, the "**Code,**" which term, as used herein, includes the regulations and published interpretations thereunder) of which Parent or such subsidiary is a member. No "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by Parent, its subsidiaries or any of their ERISA Affiliates. No "single employer plan" (as defined in Section 4001 of ERISA) established or maintained by Parent, its subsidiaries or any of their ERISA Affiliates, if such "employee benefit plan" were terminated, would have any "amount of unfunded benefit liabilities" (as defined under ERISA). Neither Parent, its subsidiaries nor any of their ERISA Affiliates has incurred or reasonably expects to incur any liability under (i) Title IV of ERISA with respect to termination of, or withdrawal

from, any "employee benefit plan" or (ii) Sections 412, 4971, 4975 or 4980B of the Code. Each "employee benefit plan" established or maintained by Parent, its subsidiaries or any of their ERISA Affiliates that is intended to be qualified under Section 401 of the Code is so qualified and nothing has occurred, whether by action or failure to act, which would cause the loss of such qualification.

(ff) **Compliance with Labor Laws.** Except as would not, individually or in the aggregate, result in a Material Adverse Effect, (i) there is (A) no unfair labor practice complaint pending or, to the knowledge of Parent and the Company, threatened against Parent or any of its subsidiaries before the National Labor Relations Board, and no grievance or arbitration proceeding arising out of or under collective bargaining agreements pending, or to the knowledge of Parent and the Company, threatened, against Parent or any of its subsidiaries, (B) no strike, labor dispute, slowdown or stoppage pending or, to the knowledge of Parent and the Company, threatened against Parent or any of its subsidiaries and (C) no union representation question existing with respect to the employees of Parent or any of its subsidiaries and, to the knowledge of Parent and the Company, no union organizing activities taking place and (ii) there has been no violation of any federal, state or local law relating to discrimination in hiring, promotion or pay of employees or of any applicable wage or hour laws.

(gg) **Related Party Transactions.** No relationship, direct or indirect, exists between or among any of Parent or any Affiliate of Parent, on the one hand, and any director, officer, member, stockholder, customer or supplier of Parent or any Affiliate of Parent, on the other hand, which would be required by Item 404 of the Commission's Regulation S-K to be disclosed which is not so disclosed in the Offering Memorandum. There are no outstanding loans, advances (except advances for business expenses in the ordinary course of business) or guarantees of indebtedness by Parent or any Affiliate of Parent to or for the benefit of any of the officers or directors of Parent or any Affiliate of Parent or any of their respective family members.

(hh) **No Unlawful Contributions or Other Payments.** Neither Parent nor any of its subsidiaries nor, to the knowledge of Parent and the Company, any director, officer, agent, employee or Affiliate of Parent or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the FCPA (as defined below), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and Parent, its subsidiaries and, to the knowledge of Parent and the Company, its Affiliates have conducted their businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

"**FCPA**" means Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

(ii) **No Conflict with Money Laundering Laws.** The operations of Parent and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving Parent or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of Parent and the Company, threatened.

(jj) **No Conflict with OFAC Laws.** Neither Parent nor any of its subsidiaries nor, to the knowledge of Parent and the Company, any director, officer, agent, employee or Affiliate of Parent or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(kk) **Regulation S.** The Company, the Guarantors and their respective Affiliates and all persons acting on their behalf (other than the Initial Purchasers, as to whom the Company and the Guarantors make no representation) have complied with and will comply with the offering restrictions requirements of Regulation S in connection with the offering of the Securities outside the United States and, in connection therewith, the Offering Memorandum will contain the disclosure required by Rule 902. The Securities sold in reliance on Regulation S will be represented upon issuance by a temporary global security that may not be exchanged for definitive securities until the expiration of the 40-day restricted period referred to in Rule 903 of the Securities Act and only upon certification of beneficial ownership of such Securities by non-U.S. persons or U.S. persons who purchased such Securities in transactions that were exempt from the registration requirements of the Securities Act.

Any certificate signed by an officer of the Company or any Guarantor and delivered to the Initial Purchasers or to counsel for the Initial Purchasers shall be deemed to be a representation and warranty by the Company or such Guarantor to each Initial Purchaser as to the matters set forth therein.

SECTION 2. Purchase, Sale and Delivery of the Securities.

(a) **The Securities.** Each of the Company and the Guarantors agrees to issue and sell to the Initial Purchasers, severally and not jointly, all of the Securities, and the Initial Purchasers agree, severally and not jointly, to purchase from the Company and the Guarantors the aggregate principal amount of Securities set forth opposite their names on Schedule A, at a purchase price of 96.564% of the principal amount thereof payable on the Closing Date, in each case, on the basis of the representations, warranties and agreements herein contained, and upon the terms, subject to the conditions thereto, herein set forth.

(b) **The Closing Date.** Delivery of certificates for the Securities in definitive form to be purchased by the Initial Purchasers and payment therefor shall be made at the offices of Cahill Gordon & Reindel LLP, 80 Pine Street, New York, New York 10005 (or such other place as may be agreed to by the Company and the Representatives) at 9:00 a.m. New York City time, on March 24, 2010, or such other time and date as the Representatives shall designate by notice to the Company (the time and date of such closing are called the "**Closing Date**"). The Company hereby acknowledges that circumstances under which the Representatives may provide notice to postpone the Closing Date as originally scheduled include, but are in no way limited to, any determination by the Company or the Initial Purchasers to recirculate to investors copies of an amended or supplemented Offering Memorandum or a delay as contemplated by the provisions of Section 17 hereof.

(c) **Delivery of the Securities.** The Company shall deliver, or cause to be delivered, to the Representatives for the accounts of the several Initial Purchasers certificates for the Securities at the Closing Date against the irrevocable release of a wire transfer of immediately available funds for the amount of the purchase price therefor. The certificates for the Securities shall be in such denominations and registered in the name of Cede & Co., as nominee of the Depositary, pursuant to the DTC Agreement, and shall be made available for inspection on the business day preceding the Closing Date at a location in New York City, as the Representatives may designate. Time shall be of the essence, and delivery at the time and place specified in this Agreement is a further condition to the obligations of the Initial Purchasers.

(d) **Initial Purchasers as Qualified Institutional Buyers.** Each Initial Purchaser severally and not jointly represents and warrants to, and agrees with, the Company that:

(i) this Agreement has been duly authorized, executed and delivered by each Initial Purchaser;

(ii) it will offer and sell Securities only to (a) persons who it reasonably believes are "qualified institutional buyers" within the meaning of Rule 144A ("**Qualified Institutional Buyers**") in transactions meeting the requirements of Rule 144A or (b) upon the terms and conditions set forth in Annex I to this Agreement;

(iii) it is an institutional "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act; and

(iv) it will not offer or sell Securities by, any form of general solicitation or general advertising, including but not limited to the methods described in Rule 502(c) under the Securities Act.

SECTION 3. **Additional Covenants.** Each of the Company and the Guarantors further covenants and agrees with each Initial Purchaser as follows:

(a) **Preparation of Final Offering Memorandum; Initial Purchasers' Review of Proposed Amendments and Supplements and Company Additional Written Communications.** As promptly as practicable following the Time of Sale and in any event not later than the second business day following the date hereof, the Company shall prepare and deliver to the Initial Purchasers the Final Offering Memorandum, which shall

consist of the Preliminary Offering Memorandum as modified only by the information contained in the Pricing Supplement. The Company shall not amend or supplement the Preliminary Offering Memorandum or the Pricing Supplement. The Company shall not amend or supplement the Final Offering Memorandum prior to the Closing Date unless the Representatives shall previously have been furnished a copy of the proposed amendment or supplement at least two business days prior to the proposed use or filing, and shall not have objected to such amendment or supplement. Before making, preparing, using, authorizing, approving or distributing any Company Additional Written Communication, the Company shall furnish to the Representatives a copy of such written communication for review and shall not make, prepare, use, authorize, approve or distribute any such written communication to which the Representatives reasonably object.

(b) **Amendments and Supplements to the Final Offering Memorandum and Other Securities Act Matters.** If at any time prior to the Closing Date (i) any event shall occur or condition shall exist as a result of which any of the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading or (ii) it is necessary to amend or supplement any of the Pricing Disclosure Package to comply with law, the Company and the Guarantors will immediately notify the Initial Purchasers thereof and forthwith prepare and (subject to Section 3(a) hereof) furnish to the Initial Purchasers such amendments or supplements to any of the Pricing Disclosure Package as may be necessary so that the statements in any of the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances under which they were made, be misleading or so that any of the Pricing Disclosure Package will comply with all applicable law. If, prior to the completion of the placement of the Securities by the Initial Purchasers with the Subsequent Purchasers, any event shall occur or condition exist as a result of which it is necessary to amend or supplement the Final Offering Memorandum, as then amended or supplemented, in order to make the statements therein, in the light of the circumstances when the Final Offering Memorandum is delivered to a Subsequent Purchaser, not misleading, or if in the judgment of the Representatives or counsel for the Initial Purchasers it is otherwise necessary to amend or supplement the Final Offering Memorandum to comply with law, the Company and the Guarantors agree to promptly prepare (subject to Section 3 hereof), file with the Commission and furnish at its own expense to the Initial Purchasers, amendments or supplements to the Final Offering Memorandum so that the statements in the Final Offering Memorandum as so amended or supplemented will not, in the light of the circumstances at the Closing Date and at the time of sale of Securities, be misleading or so that the Final Offering Memorandum, as amended or supplemented, will comply with all applicable law.

Following the consummation of the Exchange Offer or the effectiveness of an applicable shelf registration statement and for so long as the Securities are outstanding if, in the judgment of the Representatives, or any of their Affiliates are required to deliver a prospectus in connection with sales of, or market-making activities with respect to, the Securities, to periodically amend the applicable registration statement so that the information contained therein complies with the requirements of Section 10 of the Securities Act, to amend the applicable registration statement or supplement the related prospectus or the

documents incorporated therein when necessary to reflect any material changes in the information provided therein so that the registration statement and the prospectus will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing as of the date the prospectus is so delivered, not misleading and to provide the Initial Purchasers with copies of each amendment or supplement filed and such other documents as the Initial Purchasers may reasonably request.

The Company hereby expressly acknowledges that the indemnification and contribution provisions of Sections 8 and 9 hereof are specifically applicable and relate to each offering memorandum, registration statement, prospectus, amendment or supplement referred to in this Section 3.

(c) **Copies of the Offering Memorandum.** The Company agrees to furnish the Initial Purchasers, without charge, as many copies of the Pricing Disclosure Package and the Final Offering Memorandum and any amendments and supplements thereto as they shall reasonably request.

(d) **Blue Sky Compliance.** Each of the Company and the Guarantors shall cooperate with the Representatives and counsel for the Initial Purchasers to qualify or register (or to obtain exemptions from qualifying or registering) all or any part of the Securities for offer and sale under the securities laws of the several states of the United States, the provinces of Canada or any other jurisdictions designated by the Representatives, and shall comply with such laws and shall continue such qualifications, registrations and exemptions in effect so long as required for the distribution of the Securities. None of the Company or any of the Guarantors will be required to qualify as a foreign corporation or to take any action that would subject it to general service of process in any such jurisdiction where it is not presently qualified or where it would be subject to taxation as a foreign corporation. The Company shall advise the Representatives promptly of the suspension of the qualification or registration of (or any such exemption relating to) the Securities for offering, sale or trading in any jurisdiction or any initiation or threat of any proceeding for any such purpose, and in the event of the issuance of any order suspending such qualification, registration or exemption, each of the Company and the Guarantors shall use its commercially reasonable efforts to obtain the withdrawal thereof at the earliest possible moment.

(e) **Use of Proceeds.** The Company shall apply the net proceeds from the sale of the Securities sold by it in the manner described under the caption "Use of Proceeds" in the Pricing Disclosure Package.

(f) **The Depositary**. The Company shall cooperate with the Initial Purchasers and use its commercially reasonable efforts to permit the Securities to be eligible for clearance and settlement through the facilities of the Depositary.

(g) **Additional Issuer Information.** Prior to the completion of the placement of the Securities by the Initial Purchasers with the Subsequent Purchasers, Parent shall file, on a timely basis, with the Commission and the New York Stock Exchange (the

"**NYSE**") all reports and documents required to be filed under Section 13 or 15 of the Exchange Act. Additionally, at any time when Parent is not subject to Section 13 or 15 of the Exchange Act, for the benefit of holders and beneficial owners from time to time of the Securities, Parent shall furnish, at its expense, upon request, to holders and beneficial owners of Securities and prospective purchasers of Securities information satisfying the requirements of Rule 144A(d).

(h) **Agreement Not To Offer or Sell Additional Securities.** During the period of 90 days following the date hereof, the Company will not, without the prior written consent of the Representatives (which consent may be withheld at the sole discretion of the Representatives), directly or indirectly, sell, offer, contract or grant any option to sell, pledge, transfer or establish an open "put equivalent position" within the meaning of Rule 16a-1 under the Exchange Act, or otherwise dispose of or transfer, or announce the offering of, or file any registration statement under the Securities Act in respect of, any debt securities of the Company or securities exchangeable for or convertible into debt securities of the Company (other than as contemplated by this Agreement and to register the Exchange Securities).

(i) **Future Reports to the Initial Purchasers.** Whether or not required by the Commission, so long as any Notes are outstanding, the Parent will furnish to the holders of Notes, within the time periods specified in the Commission's rules and regulations for a company subject to reporting under Section 13(a) or 15(d) of the Exchange Act:

(1) all quarterly and annual financial information of the Parent that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Parent were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report on the annual financial statements by the Parent's certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Parent were required to file such reports.

In addition, whether or not required by the Commission, the Parent will file a copy of all of the information and reports referred to in clauses (1) and (2) above with the Commission for public availability within the time periods specified in the Commission's rules and regulations for a company subject to reporting under Section 13(a) or 15(d) of the Exchange Act (unless the Commission will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. Notwithstanding the foregoing, to the extent the Parent files the information and reports referred to in clauses (1) and (2) above with the Commission and such information is publicly available on the Internet, the Parent shall be deemed to be in compliance with its obligations to furnish such information to the holders of the Notes and to make such information available to securities analysts and prospective investors.

(j) **No Integration.** The Company agrees that it will not and will cause its Affiliates not to make any offer or sale of securities of the Company of any class if, as a result of the doctrine of "integration" referred to in Rule 502 under the Securities Act, such offer or sale would render invalid (for the purpose of (i) the sale of the Securities by the Company to the Initial Purchasers, (ii) the resale of the Securities by the Initial Purchasers to Subsequent Purchasers or (iii) the resale of the Securities by such Subsequent Purchasers to others) the exemption from the registration requirements of the Securities Act provided by Section 4(2) thereof or by Rule 144A or by Regulation S thereunder or otherwise.

(k) **No General Solicitation or Directed Selling Efforts**. The Company agrees that it will not and will not permit any of its Affiliates or any other person acting on its or their behalf (other than the Initial Purchasers, as to which no covenant is given) to (i) solicit offers for, or offer or sell, the Securities by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D or in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act or (ii) engage in any directed selling efforts with respect to the Securities within the meaning of Regulation S, and the Company will and will cause all such persons to comply with the offering restrictions requirement of Regulation S with respect to the Securities.

(l) **No Restricted Resales.** The Company will not, and will not permit any of its Affiliates to resell any of the Notes that have been reacquired by any of them.

(m) **Legended Securities.** Each certificate for a Security will bear the legend contained in "Transfer Restrictions" in the Preliminary Offering Memorandum for the time period and upon the other terms stated in the Preliminary Offering Memorandum.

The Representatives on behalf of the several Initial Purchasers, may, in their sole discretion, waive in writing the performance by the Company or any Guarantor of any one or more of the foregoing covenants or extend the time for their performance.

SECTION 4. **Payment of Expenses.** Each of the Company and the Guarantors agrees to pay all costs, fees and expenses incurred in connection with the performance of its obligations hereunder and in connection with the transactions contemplated hereby, including, without limitation, (i) all expenses incident to the issuance and delivery of the Securities (including all printing and engraving costs), (ii) all necessary issue, transfer and other stamp taxes in connection with the issuance and sale of the Securities to the Initial Purchasers, (iii) all fees and expenses of the Company's and the Guarantors' counsel, independent public or certified public accountants and other advisors, (iv) all costs and expenses incurred in connection with the preparation, printing, filing, shipping and distribution of the Pricing Disclosure Package and the Final Offering Memorandum (including financial statements and exhibits), and all amendments and supplements thereto, this Agreement, the Registration Rights Agreement, the Indenture, the DTC Agreement and the Notes and Guarantees, (v) all filing fees, attorneys' fees and expenses incurred by the Company, the Guarantors or the Initial Purchasers in connection with qualifying or registering (or obtaining exemptions from the qualification or registration of) all or any part of the Securities for offer and sale under the securities laws of the several states of the United

States, the provinces of Canada or other jurisdictions designated by the Initial Purchasers (including, without limitation, the cost of preparing, printing and mailing preliminary and final blue sky or legal investment memoranda and any related supplements to the Pricing Disclosure Package or the Final Offering Memorandum), (vi) the fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee in connection with the Indenture, the Securities and the Exchange Securities, (vii) any fees payable in connection with the rating of the Securities or the Exchange Securities with the ratings agencies, (viii) any filing fees incident to, and any reasonable fees and disbursements of counsel to the Initial Purchasers in connection with the review by FINRA, if any, of the terms of the sale of the Securities or the Exchange Securities, (ix) all fees and expenses (including reasonable fees and expenses of counsel) of the Company and the Guarantors in connection with approval of the Securities by the Depositary for "book-entry" transfer, and the performance by the Company and the Guarantors of their respective other obligations under this Agreement and (x) all expenses incident to the "road show" for the offering of the Securities, including the cost of any chartered airplane or other transportation. Except as provided in this Section 4 and Sections 6, 8 and 9 hereof, the Initial Purchasers shall pay their own expenses, including the fees and disbursements of their counsel.

SECTION 5. **Conditions of the Obligations of the Initial Purchasers.** The obligations of the several Initial Purchasers to purchase and pay for the Securities as provided herein on the Closing Date shall be subject to the accuracy of the representations and warranties on the part of the Company and the Guarantors set forth in Section 1 hereof as of the date hereof and as of the Closing Date as though then made and to the timely performance by the Company of its covenants and other obligations hereunder, and to each of the following additional conditions:

(a) **Accountants' Comfort Letter.** On the date hereof, the Initial Purchasers shall have received from PricewaterhouseCoopers LLP, the independent registered public accounting firm for the Company, a "comfort letter" dated the date hereof addressed to the Initial Purchasers, in form and substance satisfactory to the Representatives, covering the financial information in the Pricing Disclosure Package and other customary matters. In addition, on the Closing Date, the Initial Purchasers shall have received from such accountants a "bring-down comfort letter" dated the Closing Date addressed to the Initial Purchasers, in form and substance satisfactory to the Representatives, in the form of the "comfort letter" delivered on the date hereof, except that (i) it shall cover the financial information in the Final Offering Memorandum and any amendment or supplement thereto and (ii) procedures shall be brought down to a date no more than 5 days prior to the Closing Date.

(b) **No Material Adverse Effect or Ratings Agency Change.** For the period from and after the date of this Agreement and prior to the Closing Date:

(i) in the judgment of the Representatives there shall not have occurred any Material Adverse Effect; and

(ii) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded the Company or any of its subsidiaries or any of their securi-

ties or indebtedness by any "nationally recognized statistical rating organization" as such term is defined for purposes of Rule 436 under the Securities Act.

(c) **Opinion of Counsel for the Company.** On the Closing Date the Initial Purchasers shall have received the favorable opinion of Alston & Bird LLP, counsel for the Company, dated as of the Closing Date, the form of which is attached as Exhibit A.

(d) **Opinion of Counsel for the Initial Purchasers.** On the Closing Date the Initial Purchasers shall have received the favorable opinion of Cahill Gordon & Reindel LLP, counsel for the Initial Purchasers, dated as of the Closing Date, with respect to such matters as may be reasonably requested by the Initial Purchasers.

(e) **Officers' Certificate.** On the Closing Date the Initial Purchasers shall have received a written certificate executed by the Chairman of the Board, Chief Executive Officer or President of the Company and each Guarantor and the Chief Financial Officer or Chief Accounting Officer of the Company and each Guarantor, dated as of the Closing Date, to the effect set forth in Section 5(b)(ii) hereof, and further to the effect that:

(i) for the period from and after the date of this Agreement and prior to the Closing Date there has not occurred any Material Adverse Effect;

(ii) the representations, warranties and covenants of the Company and the Guarantors set forth in Section 1 hereof were true and correct as of the date hereof and are true and correct as of the Closing Date with the same force and effect as though expressly made on and as of the Closing Date; and

(iii) the Company has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Closing Date.

(f) **Indenture; Registration Rights Agreement.** The Company and the Guarantors shall have executed and delivered the Indenture, in form and substance reasonably satisfactory to the Initial Purchasers, and the Initial Purchasers shall have received executed copies thereof. The Company and the Guarantors shall have executed and delivered the Registration Rights Agreement, in form and substance reasonably satisfactory to the Initial Purchasers, and the Initial Purchasers shall have received such executed counterparts.

(g) **Tender Offer, Consent Solicitation and Redemption of 2012 Notes.** On the Closing Date, the Initial Payment Date (as defined in the Offer to Purchase) shall have occurred with respect to the Tender Offer, and the requisite consents from the holders of the 2012 Notes necessary to consummate the Consent Solicitation and execute a supplemental indenture to the 2012 Indenture with respect to the proposed amendments to the 2012 Indenture (such proposed amendments as set forth in the Offer to Purchase) shall have been received, and such supplemental indenture shall have been executed by the Company, the guarantors party thereto and the 2012 Trustee, and shall be in full force and effect. On the Closing Date, the Company shall have delivered irrevocable instruc-

tions to the trustee of the 2012 Notes to redeem all 2012 Notes not tendered in connection with the Tender Offer on or before the Expiration Date (as defined in the Offer to Purchase) on April 15, 2010, and the Representatives shall have received a copy of such notice.

(h) **New Credit Facilities; Release of Collateral; Use of Proceeds.** On the Closing Date, (1) the New Credit Facilities shall be in full force and effect, (2) the Company shall have received not less than $150,000,000 gross proceeds from the term loans thereunder and (3) the Company shall have not less than $30,000,000 in availability under the revolving credit facility thereunder. The Company shall have applied the net proceeds from such term loans and from the sale of the Securities, and cash on hand, to purchase, redeem or otherwise retire the 2012 Notes tendered in connection with the Tender Offer and to repay all amounts outstanding under the Existing Credit Facility, which shall be terminated, and all security interests in collateral securing amounts outstanding under the Existing Credit Facility shall have been released pursuant to documentation satisfactory to the Initial Purchasers (or arrangements for such release satisfactory to the Initial Purchasers shall have been made).

(i) **Additional Documents.** On or before the Closing Date, the Initial Purchasers and counsel for the Initial Purchasers shall have received such information, documents and opinions as they may reasonably require for the purposes of enabling them to pass upon the issuance and sale of the Securities as contemplated herein, or in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained.

If any condition specified in this Section 5 is not satisfied when and as required to be satisfied, this Agreement may be terminated by the Representatives by notice to the Company at any time on or prior to the Closing Date, which termination shall be without liability on the part of any party to any other party, except that Sections 4, 6, 8 and 9 hereof shall at all times be effective and shall survive such termination.

SECTION 6. **Reimbursement of Initial Purchasers' Expenses.** If this Agreement is terminated by the Representatives pursuant to Section 5 or clauses (i) or (iv) of Section 10 hereof, including if the sale to the Initial Purchasers of the Securities on the Closing Date is not consummated because of any refusal, inability or failure on the part of the Company to perform any agreement herein or to comply with any provision hereof, the Company agrees to reimburse the Initial Purchasers, severally, upon demand for all out-of-pocket expenses that shall have been reasonably incurred by the Initial Purchasers in connection with the proposed purchase and the offering and sale of the Securities, including, without limitation, fees and disbursements of counsel, printing expenses, travel expenses, postage, facsimile and telephone charges.

SECTION 7. **Offer, Sale and Resale Procedures**. Each of the Initial Purchasers, on the one hand, and the Company and each of the Guarantors, on the other hand, hereby agree to observe the following procedures in connection with the offer and sale of the Securities:

(a) Offers and sales of the Securities will be made only by the Initial Purchasers or Affiliates thereof qualified to do so in the jurisdictions in which such offers or sales

are made. Each such offer or sale shall only be made to persons whom the offeror or seller reasonably believes to be Qualified Institutional Buyers or non-U.S. persons outside the United States to whom the offeror or seller reasonably believes offers and sales of the Securities may be made in reliance upon Regulation S upon the terms and conditions set forth in Annex I hereto, which Annex I is hereby expressly made a part hereof.

(b) The Securities will be offered by approaching prospective Subsequent Purchasers on an individual basis. No general solicitation or general advertising (within the meaning of Rule 502 under the Securities Act) will be used in the United States in connection with the offering of the Securities.

(c) Upon original issuance by the Company, and until such time as the same is no longer required under the applicable requirements of the Securities Act, the Securities (and all securities issued in exchange therefor or in substitution thereof, other than the Exchange Securities) shall bear the following legend:

"THE SECURITY (OR ITS PREDECESSOR) EVIDENCED HEREBY WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 5 OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE SECURITY EVIDENCED HEREBY MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (1)(a) INSIDE THE UNITED STATES TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (b) OUTSIDE THE UNITED STATES TO A FOREIGN PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (c) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF APPLICABLE) OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY IF THE COMPANY

SO REQUESTS), (2) TO THE COMPANY OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN CLAUSE (A) ABOVE. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALE OF THE SECURITY EVIDENCED HEREBY."

Following the sale of the Securities by the Initial Purchasers to Subsequent Purchasers pursuant to the terms hereof, the Initial Purchasers shall not be liable or responsible to the Company for any losses, damages or liabilities suffered or incurred by the Company, including any losses, damages or liabilities under the Securities Act, arising from or relating to any resale or transfer of any Security.

SECTION 8. Indemnification.

(a) **Indemnification of the Initial Purchasers.** Each of the Company and the Guarantors, jointly and severally, agrees to indemnify and hold harmless each Initial Purchaser, its Affiliates, directors, officers and employees, and each person, if any, who controls any Initial Purchaser within the meaning of the Securities Act and the Exchange Act against any loss, claim, damage, liability or expense, as incurred, to which such Initial Purchaser, Affiliate, director, officer, employee or controlling person may become subject, under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of the Company), insofar as such loss, claim, damage, liability or expense (or actions in respect thereof as contemplated below) arises out of or is based: (i) upon any untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Offering Memorandum, the Pricing Supplement, any Company Additional Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (ii) in whole or in part upon any inaccuracy in the representations and warranties of the Company contained herein; or (iii) in whole or in part upon any failure of the Company to perform its obligations hereunder or under law; or (iv) any act or failure to act or any alleged act or failure to act by any Initial Purchaser in connection with, or relating in any manner to, the offering contemplated hereby, and which is included as part of or referred to in any loss, claim, damage, liability or action arising out of or based upon any matter covered by clause (i) above, provided that the Company shall not be liable under this clause (iv) to the extent that a court of competent jurisdiction shall have determined by a final judgment that such loss, claim, damage, liability or action resulted directly from any such acts or failures to act undertaken or omitted to be taken by such Initial Purchaser through its gross negligence or willful misconduct; and to reimburse each Initial Purchaser and each such Affiliate, director, officer, employee or controlling person for any and all expenses (including the fees and disbursements of counsel chosen by the Representatives) as such ex-

penses are reasonably incurred by such Initial Purchaser or such Affiliate, director, officer, employee or controlling person in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action; provided, however, that the foregoing indemnity agreement shall not apply, with respect to an Initial Purchaser, to any loss, claim, damage, liability or expense to the extent, but only to the extent, arising out of or based upon any untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with written information furnished to the Company by such Initial Purchaser through the Representatives expressly for use in the Preliminary Offering Memorandum, the Pricing Supplement, any Company Additional Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto). The indemnity agreement set forth in this Section 8(a) shall be in addition to any liabilities that the Company may otherwise have.

(b) **Indemnification of the Company and the Guarantors.** Each Initial Purchaser agrees, severally and not jointly, to indemnify and hold harmless the Company, each Guarantor, each of their respective directors and each person, if any, who controls the Company or any Guarantor within the meaning of the Securities Act or the Exchange Act, against any loss, claim, damage, liability or expense, as incurred, to which the Company, any Guarantor or any such director or controlling person may become subject, under the Securities Act, the Exchange Act, or other federal or state statutory law or regulation, or at common law or otherwise (including in settlement of any litigation, if such settlement is effected with the written consent of such Initial Purchaser), insofar as such loss, claim, damage, liability or expense (or actions in respect thereof as contemplated below) arises out of or is based upon any untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Preliminary Offering Memorandum, the Pricing Supplement, any Company Additional Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Preliminary Offering Memorandum, the Pricing Supplement, any Company Additional Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto), in reliance upon and in conformity with written information furnished to the Company by such Initial Purchaser through the Representatives expressly for use therein; and to reimburse the Company, any Guarantor and each such director or controlling person for any and all expenses (including the fees and disbursements of counsel) as such expenses are reasonably incurred by the Company, any Guarantor or such director or controlling person in connection with investigating, defending, settling, compromising or paying any such loss, claim, damage, liability, expense or action. Each of the Company and the Guarantors hereby acknowledges that the only information that the Initial Purchasers through the Representatives have furnished to the Company expressly for use in the Preliminary Offering Memorandum, the Pricing Supplement, any Company Additional Written Communication or the Final Offering Memorandum (or any amendment or supplement thereto) are the statements set forth in the second sentence of the fifth paragraph and the sixth paragraph under the caption “Plan of Distribution” in the Preliminary Offering Memorandum and the Final Offering Memorandum. The indemnity agreement set forth in this Section 8(b) shall be in addition to any liabilities that each Initial Purchaser may otherwise have.

(c) **Notifications and Other Indemnification Procedures.** Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against an indemnifying party under this Section 8, notify the indemnifying party in writing of the commencement thereof, but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party hereunder for contribution or otherwise than under the indemnity agreement contained in this Section 8 or to the extent it is not prejudiced (through the forfeiture of substantive rights and defenses) as a result of such failure and shall not relieve the indemnifying party from any liability that the indemnifying party may have to an indemnified party otherwise than under the provisions of this Section 8 and Section 9. In case any such action is brought against any indemnified party and such indemnified party seeks or intends to seek indemnity from an indemnifying party, the indemnifying party will be entitled to participate in and, to the extent that it shall elect, jointly with all other indemnifying parties similarly notified, by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof with counsel reasonably satisfactory to such indemnified party; provided, however, if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that a conflict may arise between the positions of the indemnifying party and the indemnified party in conducting the defense of any such action or that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assume such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of such indemnifying party's election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 8 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in accordance with the proviso to the immediately preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel (together with local counsel (in each jurisdiction)), approved by the indemnifying party (the Representatives in the case of Sections 8(b) and 9 hereof), representing the indemnified parties who are parties to such action) or (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action, in each of which cases the fees and expenses of counsel shall be at the expense of the indemnifying party.

(d) **Settlements.** The indemnifying party under this Section 8 shall not be liable for any settlement of any proceeding effected without its written consent, which will not be unreasonably withheld, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party against any loss, claim, damage, liability or expense by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel as contemplated by this Section 8, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall

not have reimbursed the indemnified party in accordance with such request or disputed in good faith the indemnified party's entitlement to such reimbursement prior to the date of such settlement. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement, compromise or consent to the entry of judgment in any pending or threatened action, suit or proceeding in respect of which any indemnified party is or could have been a party and indemnity was or could have been sought hereunder by such indemnified party, unless such settlement, compromise or consent (i) includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such action, suit or proceeding and (ii) does not include any statements as to or any findings of fault, culpability or failure to act by or on behalf of any indemnified party.

SECTION 9. **Contribution.** If the indemnification provided for in Section 8 hereof is for any reason held to be unavailable to or otherwise insufficient to hold harmless an indemnified party in respect of any losses, claims, damages, liabilities or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount paid or payable by such indemnified party, as incurred, as a result of any losses, claims, damages, liabilities or expenses referred to therein (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, in connection with the statements or omissions or inaccuracies in the representations and warranties herein which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company, and the total discount received by the Initial Purchasers bear to the aggregate initial offering price of the Securities. The relative fault of the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact or any such inaccurate or alleged inaccurate representation or warranty relates to information supplied by the Company and the Guarantors, on the one hand, or the Initial Purchasers, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission or inaccuracy.

The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include, subject to the limitations set forth in Section 8 hereof, any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim. The provisions set forth in Section 8 hereof with respect to notice of commencement of any action shall apply if a claim for contribution is to be made under this Section 9; provided, however, that no additional notice shall be required with respect to any action for which notice has been given under Section 8 hereof for purposes of indemnification.

The Company, the Guarantors and the Initial Purchasers agree that it would not be just and equitable if contribution pursuant to this Section 9 were determined by pro rata allocation (even if the Initial Purchasers were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 9.

Notwithstanding the provisions of this Section 9, no Initial Purchaser shall be required to contribute any amount in excess of the discount received by such Initial Purchaser in connection with the Securities distributed by it. No person guilty of fraudulent misrepresentation (within the meaning of Section 11 of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Initial Purchasers' obligations to contribute pursuant to this Section 9 are several, and not joint, in proportion to their respective commitments as set forth opposite their names in Schedule A. For purposes of this Section 9, each director, officer and employee of an Initial Purchaser and each person, if any, who controls an Initial Purchaser within the meaning of the Securities Act and the Exchange Act shall have the same rights to contribution as such Initial Purchaser, and each director of the Company or any Guarantor, and each person, if any, who controls the Company or any Guarantor with the meaning of the Securities Act and the Exchange Act shall have the same rights to contribution as the Company and the Guarantors.

SECTION 10. **Termination of this Agreement.** Prior to the Closing Date, this Agreement may be terminated by the Representatives by notice given to the Company if at any time: (i) trading or quotation in any of the Company's securities shall have been suspended or limited by the Commission or by the NYSE or trading in securities generally on either the Nasdaq Stock Market or the NYSE shall have been suspended or limited, or minimum or maximum prices shall have been generally established on any of such quotation system or stock exchange by the Commission or FINRA; (ii) a general banking moratorium shall have been declared by any of federal, New York or Delaware authorities; (iii) there shall have occurred any outbreak or escalation of national or international hostilities or any crisis or calamity, or any change in the United States or international financial markets, or any substantial change or development involving a prospective substantial change in United States' or international political, financial or economic conditions, as in the judgment of the Representatives is material and adverse and makes it impracticable or inadvisable to proceed with the offering sale or delivery of the Securities in the manner and on the terms described in the Pricing Disclosure Package or to enforce contracts for the sale of securities; or (iv) in the judgment of the Representatives there shall have occurred any Material Adverse Effect. Any termination pursuant to this Section 10 shall be without liability on the part of (i) the Company or any Guarantor to any Initial Purchaser, except that the Company and the Guarantors shall be obligated to reimburse the expenses of the Initial Purchasers pursuant to Sections 4 and 6 hereof, (ii) any Initial Purchaser to the Company or any Guarantor, or (iii) other than as provided in the preceding clauses (i) and (ii), any party hereto to any other party except that the provisions of Sections 8 and 9 hereof shall at all times be effective and shall survive such termination.

SECTION 11. **Representations and Indemnities to Survive Delivery.** The respective indemnities, agreements, representations, warranties and other statements of the Company, the Guarantors, their respective officers and the several Initial Purchasers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation

made by or on behalf of any Initial Purchaser, the Company, any Guarantor or any of their partners, officers or directors or any controlling person, as the case may be, and will survive delivery of and payment for the Securities sold hereunder and any termination of this Agreement.

SECTION 12. **Notices.** All communications hereunder shall be in writing and shall be mailed, hand delivered, couriered or facsimiled and confirmed to the parties hereto as follows:

If to the Initial Purchasers:

Banc of America Securities LLC
One Bryant Park
New York, New York 10036
Facsimile: (212) 901-7897
Attention: Legal Department

with copies to (which shall not constitute notice):

Cahill Gordon & Reindel LLP
80 Pine Street
New York, New York 10005
Facsimile: (212) 269-5420
Attention: James J. Clark
Ann S. Makich

If to the Company or the Guarantors:

Prestige Brands, Inc.
90 North Broadway
Irvington, NY 10533
Facsimile: (914) 524-6821
Attention: Peter J. Anderson

with copies to (which shall not constitute notice):

Prestige Brands, Inc.
90 North Broadway
Irvington, NY 10533
Facsimile: (914) 524-7488
Attention: Legal Department

and

Alston & Bird LLP
90 Park Avenue
New York, New York 10016
Facsimile: (212) 210-9494
Attention: Mark F. McElreath

Any party hereto may change the address or facsimile number for receipt of communications by giving written notice to the others.

SECTION 13. **Successors.** This Agreement will inure to the benefit of and be binding upon the parties hereto, and to the benefit of the indemnified parties referred to in Sections 8 and 9 hereof, and in each case their respective successors, and no other person will have any right or obligation hereunder. The term "successors" shall not include any Subsequent Purchaser or other purchaser of the Securities as such from any of the Initial Purchasers merely by reason of such purchase.

SECTION 14. **Authority of the Representatives.** Any action by the Initial Purchasers hereunder may be taken by the Representatives on behalf of the Initial Purchasers, and any such action taken by the Representatives shall be binding upon the Initial Purchasers.

SECTION 15. **Partial Unenforceability.** The invalidity or unenforceability of any section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other section, paragraph or provision hereof. If any section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

SECTION 16. **Governing Law Provisions.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED IN SUCH STATE WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF.

Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby ("**Related Proceedings**") may be instituted in the federal courts of the United States of America located in the City and County of New York or the courts of the State of New York in each case located in the City and County of New York (collectively, the "**Specified Courts**"), and each party irrevocably submits to the exclusive jurisdiction (except for suits, actions, or proceedings instituted in regard to the enforcement of a judgment of any Specified Court in a Related Proceeding, as to which such jurisdiction is non-exclusive) of the Specified Courts in any Related Proceeding. Service of any process, summons, notice or document by mail to such party's address set forth above shall be effective service of process for any Related Proceeding brought in any Specified Court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any Specified Proceeding in the Specified Courts and irrevocably and unconditionally waive and agree not to plead or claim in any Specified Court that any Related Proceeding brought in any Specified Court has been brought in an inconvenient forum.

SECTION 17. **Default of One or More of the Several Initial Purchasers.** If any one or more of the several Initial Purchasers shall fail or refuse to purchase Securities that it or they have agreed to purchase hereunder on the Closing Date, and the aggregate number of Securities which such defaulting Initial Purchaser or Initial Purchasers agreed but failed or refused to purchase does not exceed 10% of the aggregate number of the Securities to be purchased on such

date, the other Initial Purchasers shall be obligated, severally, in the proportions that the number of Securities set forth opposite their respective names on Schedule A bears to the aggregate number of Securities set forth opposite the names of all such non-defaulting Initial Purchasers, or in such other proportions as may be specified by the Initial Purchasers with the consent of the non-defaulting Initial Purchasers, to purchase the Securities which such defaulting Initial Purchaser or Initial Purchasers agreed but failed or refused to purchase on the Closing Date. If any one or more of the Initial Purchasers shall fail or refuse to purchase Securities and the aggregate number of Securities with respect to which such default occurs exceeds 10% of the aggregate number of Securities to be purchased on the Closing Date, and arrangements satisfactory to the Initial Purchasers and the Company for the purchase of such Securities are not made within 48 hours after such default, this Agreement shall terminate without liability of any party to any other party except that the provisions of Sections 4, 6, 8 and 9 hereof shall at all times be effective and shall survive such termination. In any such case either the Initial Purchasers or the Company shall have the right to postpone the Closing Date, as the case may be, but in no event for longer than seven days in order that the required changes, if any, to the Final Offering Memorandum or any other documents or arrangements may be effected.

As used in this Agreement, the term "**Initial Purchaser**" shall be deemed to include any person substituted for a defaulting Initial Purchaser under this Section 17. Any action taken under this Section 17 shall not relieve any defaulting Initial Purchaser from liability in respect of any default of such Initial Purchaser under this Agreement.

SECTION 18. **No Advisory or Fiduciary Responsibility.** Each of the Company and each Guarantor acknowledges and agrees that: (i) the purchase and sale of the Securities pursuant to this Agreement, including the determination of the offering price of the Securities and any related discounts and commissions, is an arm's-length commercial transaction between the Company and the Guarantors, on the one hand, and the several Initial Purchasers, on the other hand, and the Company and the Guarantors are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the transactions contemplated by this Agreement; (ii) in connection with each transaction contemplated hereby and the process leading to such transaction, each Initial Purchaser is and has been acting solely as a principal and is not the agent or fiduciary of the Company, any Guarantor or any of their respective Affiliates, stockholders, creditors or employees or any other party; (iii) no Initial Purchaser has assumed or will assume an advisory or fiduciary responsibility in favor of the Company or any Guarantor with respect to any of the transactions contemplated hereby or the process leading thereto (irrespective of whether such Initial Purchaser has advised or is currently advising the Company or any Guarantor on other matters) or any other obligation to the Company or any Guarantor except the obligations expressly set forth in this Agreement; (iv) the several Initial Purchasers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and the Guarantors, and the several Initial Purchasers have no obligation to disclose any of such interests by virtue of any fiduciary or advisory relationship; and (v) the Initial Purchasers have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby, and the Company and the Guarantors have consulted their own legal, accounting, regulatory and tax advisors to the extent they deemed appropriate.

This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company, the Guarantors and the several Initial Purchasers, or any of them, with respect to the subject matter hereof. The Company and the Guarantors hereby waive and release, to the fullest extent permitted by law, any claims that the Company and the Guarantors may have against the several Initial Purchasers with respect to any breach or alleged breach of fiduciary duty.

SECTION 19. **General Provisions.** This Agreement constitutes the entire agreement of the parties to this Agreement and supersedes all prior written or oral and all contemporaneous oral agreements, understandings and negotiations with respect to the subject matter hereof. This Agreement may be executed in two or more counterparts, each one of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by telecopier, facsimile or other electronic transmission (i.e., a "pdf" or "tif") shall be effective as delivery of a manually executed counterpart thereof. This Agreement may not be amended or modified unless in writing by all of the parties hereto, and no condition herein (express or implied) may be waived unless waived in writing by each party whom the condition is meant to benefit. The section headings herein are for the convenience of the parties only and shall not affect the construction or interpretation of this Agreement.

If the foregoing is in accordance with your understanding of our agreement, kindly sign and return to the Company the enclosed copies hereof, whereupon this instrument, along with all counterparts hereof, shall become a binding agreement in accordance with its terms.

Very truly yours,
PRESTIGE BRANDS, INC.

By: /s/ Charles N. Jolly
Name: Charles N. Jolly
Title: Secretary and General Counsel

PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY

as Guarantors

By: /s/ Charles N. Jolly
Name: Charles N. Jolly
Title: Secretary and General Counsel

The foregoing Purchase Agreement is hereby confirmed and accepted by the Initial Purchasers as of the date first above written.

BANC OF AMERICA SECURITIES LLC
DEUTSCHE BANK SECURITIES INC.
Acting on behalf of itself
and as the Representatives of
the several Initial Purchasers

By: Banc of America Securities LLC

By: /s/ Aaron Peyton
Name: Aaron Peyton
Title: Managing Director

By: Deutsche Bank Securities Inc.

By: /s/ William Frauen
Name: William Frauen
Title: Managing Director

By: /s/ Edwin E. Roland
Name: Edwin E. Roland
Title: Managing Director

SCHEDULE A

Initial Purchasers	**Aggregate Principal Amount of Securities to be Purchased**
Banc of America Securities LLC	$ 90,000,000
Deutsche Bank Securities Inc.	60,000,000
Total	$ 150,000,000

Exhibit 10.5

EXECUTION VERSION

REGISTRATION RIGHTS AGREEMENT

by and among

Prestige Brands, Inc.
Prestige Brands Holdings, Inc.
Prestige Personal Care Holdings, Inc.
Prestige Personal Care, Inc.
Prestige Services Corp.
Prestige Brands Holdings, Inc.
Prestige Brands International, Inc.
Medtech Holdings, Inc.
Medtech Products Inc.
The Cutex Company
The Denorex Company
The Spic and Span Company

and

Banc of America Securities LLC
Deutsche Bank Securities Inc.

Dated as of March 24, 2010

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made and entered into as of March 24, 2010, by and among Prestige Brands, Inc., a Delaware corporation (the "Company"), Prestige Brands Holdings, Inc., Prestige Personal Care Holdings, Inc., Prestige Personal Care, Inc., Prestige Services Corp., Prestige Brands Holdings, Inc., Prestige Brands International, Inc., Medtech Holdings, Inc., Medtech Products Inc., The Cutex Company, The Denorex Company and The Spic and Span Company (collectively, the "Guarantors"), and Banc of America Securities LLC and Deutsche Bank Securities Inc. (each an "Initial Purchaser" and collectively, the "Initial Purchasers"), each of whom has agreed to purchase the Company's 8.25% Senior Notes due 2018 (the "Initial Notes"), which are fully and unconditionally guaranteed by the Guarantors (the "Guarantees"), pursuant to the Purchase Agreement (as defined below). The Initial Notes and the Guarantees attached thereto are herein collectively referred to as the "Initial Securities."

This Agreement is made pursuant to the Purchase Agreement, dated March 10, 2010 (the "Purchase Agreement"), among the Company, the Guarantors and the Initial Purchasers (i) for the benefit of the Initial Purchasers and (ii) for the benefit of the holders from time to time of the Initial Securities, including the Initial Purchasers. In order to induce the Initial Purchasers to purchase the Initial Securities, the Company has agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the obligations of the Initial Purchasers set forth in Section 5(f) of the Purchase Agreement.

The parties hereby agree as follows:

SECTION 1. *Definitions*. As used in this Agreement, the following capitalized terms shall have the following meanings:

Additional Interest Payment Date: With respect to the Initial Securities, each Interest Payment Date.

Advice: As defined in Section 6(c) hereof.

Broker-Dealer: Any broker or dealer registered under the Exchange Act.

Business Day: Any day other than a Saturday, Sunday or U.S. federal holiday or a day on which banking institutions or trust companies located in New York, New York are authorized or obligated to be closed.

Closing Date: The date of this Agreement.

Commission: The U.S. Securities and Exchange Commission.

Consummate: A registered Exchange Offer shall be deemed "Consummated" for purposes of this Agreement upon the occurrence of (i) the filing and effectiveness under the Securities Act of the Exchange Offer Registration Statement relating to the Exchange Securities to be issued in the Exchange Offer, (ii) the maintenance of such Registration Statement continuously effective and the keeping of the Exchange Offer open for a period not less than the minimum pe-

riod required pursuant to Section 3(b) hereof, and (iii) the delivery by the Company to the Registrar under the Indenture of Exchange Securities in the same aggregate principal amount as the aggregate principal amount of Initial Securities that were tendered by Holders thereof pursuant to the Exchange Offer.

Effectiveness Target Date: As defined in Section 5 hereof.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Exchange Date: As defined in Section 3 hereof.

Exchange Offer: The registration by the Company under the Securities Act of the Exchange Securities pursuant to a Registration Statement pursuant to which the Company offers the Holders of all outstanding Transfer Restricted Securities the opportunity to exchange all such outstanding Transfer Restricted Securities held by such Holders for Exchange Securities in an aggregate principal amount equal to the aggregate principal amount of the Transfer Restricted Securities tendered in such exchange offer by such Holders.

Exchange Offer Registration Statement: The Registration Statement relating to the Exchange Offer, including the related Prospectus.

Exempt Resales: The transactions in which the Initial Purchasers propose to sell the Initial Securities to certain "qualified institutional buyers," as such term is defined in Rule 144A under the Securities Act and to certain non-U.S. persons pursuant to Regulation S under the Securities Act.

Exchange Securities: The 8.25% Senior Notes due 2018, of the same series under the Indenture as the Initial Notes and the Guarantees attached thereto, to be issued to Holders in exchange for Transfer Restricted Securities pursuant to this Agreement.

FINRA: Financial Industry Regulatory Authority.

Holders: As defined in Section 2(b) hereof.

Indemnified Holder: As defined in Section 8(a) hereof.

Indenture: The Indenture, dated as of March 24, 2010, by and among the Company, the Guarantors and U.S. Bank National Association, as trustee (the "Trustee"), pursuant to which the Securities are to be issued, as such Indenture is amended or supplemented from time to time in accordance with the terms thereof.

Initial Purchaser: As defined in the preamble hereto.

Initial Notes: As defined in the preamble hereto.

Initial Placement: The issuance and sale by the Company of the Initial Securities to the Initial Purchasers pursuant to the Purchase Agreement.

Initial Securities: As defined in the preamble hereto.

Interest Payment Date: As defined in the Indenture and the Securities.

Person: An individual, partnership, corporation, trust or unincorporated organization, limited liability company or a government or agency or political subdivision thereof.

Prospectus: The prospectus included in a Registration Statement, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

Registration Default: As defined in Section 5 hereof.

Registration Statement: Any registration statement of the Company relating to (a) an offering of Exchange Securities pursuant to an Exchange Offer or (b) the registration for resale of Transfer Restricted Securities pursuant to the Shelf Registration Statement, which is filed pursuant to the provisions of this Agreement, in each case, including the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

Securities: As defined in the Purchase Agreement.

Securities Act: The Securities Act of 1933, as amended.

Shelf Registration Statement: As defined in Section 4(a) hereof.

Transfer Restricted Securities: Each Initial Security, until the earliest to occur of (a) the date on which such Initial Security is exchanged in the Exchange Offer for an Exchange Security entitled to be resold to the public by the Holder thereof without complying with the prospectus delivery requirements of the Securities Act, (b) the date on which such Initial Security has been effectively registered under the Securities Act and disposed of in accordance with a Shelf Registration Statement and (c) the date on which such Initial Security is distributed to the public by a Broker-Dealer pursuant to the "Plan of Distribution" contemplated by the Exchange Offer Registration Statement (including delivery of the Prospectus contained therein).

Trust Indenture Act: The Trust Indenture Act of 1939, as amended.

Underwritten Registration or Underwritten Offering: A registration in which securities of the Company are sold to an underwriter for reoffering to the public.

SECTION 2. *Securities Subject to this Agreement.*

(a) *Transfer Restricted Securities.* The securities entitled to the benefits of this Agreement are the Transfer Restricted Securities.

(b) *Holders of Transfer Restricted Securities.* A Person is deemed to be a holder of Transfer Restricted Securities (each, a "Holder") whenever such Person owns Transfer Restricted Securities.

SECTION 3. *Registered Exchange Offer*.

(a) Unless the Exchange Offer shall not be permissible under applicable law or Commission policy (after the procedures set forth in Section 6(a) hereof have been complied with), each of the Company and the Guarantors shall use its commercially reasonable efforts (i) to file with the Commission a Registration Statement under the Securities Act relating to the Exchange Securities and the Exchange Offer, (ii) to cause such Registration Statement to become effective, (iii) in connection with the foregoing, (A) file all pre-effective amendments to such Registration Statement as may be necessary in order to cause such Registration Statement to become effective, (B) if applicable, file a post-effective amendment to such Registration Statement pursuant to Rule 430A under the Securities Act and (C) cause all necessary filings in connection with the registration and qualification of the Exchange Securities to be made under the state securities or blue sky laws of such jurisdictions as are necessary to permit Consummation of the Exchange Offer, and (iv) upon the effectiveness of such Registration Statement, commence the Exchange Offer. Each of the Company and the Guarantors shall use its commercially reasonable efforts to Consummate the Exchange Offer not later than 366 days following the Closing Date (or if such 366th day is not a Business Day, the next succeeding Business Day) (the "Exchange Date"). The Exchange Offer shall be on the appropriate form permitting registration of the Exchange Securities to be offered in exchange for the Transfer Restricted Securities and to permit resales of Initial Securities held by Broker-Dealers as contemplated by Section 3(c) hereof.

(b) The Company and the Guarantors shall cause the Exchange Offer Registration Statement to be effective continuously and shall keep the Exchange Offer open for a period of not less than the minimum period required under applicable federal and state securities laws to Consummate the Exchange Offer; *provided*, *however*, that in no event shall such period be less than 20 Business Days after the date notice of the Exchange Offer is mailed to the Holders. The Company shall cause the Exchange Offer to comply with all applicable federal and state securities laws. No securities other than the Exchange Securities shall be included in the Exchange Offer Registration Statement.

(c) The Company shall indicate in a "Plan of Distribution" section contained in the Prospectus forming a part of the Exchange Offer Registration Statement that any Broker-Dealer who holds Initial Securities that are Transfer Restricted Securities and that were acquired for its own account as a result of market-making activities or other trading activities (other than Transfer Restricted Securities acquired directly from the Company), may exchange such Initial Securities pursuant to the Exchange Offer; however, such Broker-Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act and must, therefore, deliver a prospectus meeting the requirements of the Securities Act in connection with any resales of the Exchange Securities received by such Broker-Dealer in the Exchange Offer, which prospectus delivery requirement may be satisfied by the delivery by such Broker-Dealer of the Prospectus contained in the Exchange Offer Registration Statement. Such "Plan of Distribution" section shall also contain all other information with respect to such resales by Broker-Dealers that the Commission may require in order to permit such resales pursuant thereto, but such "Plan of Distribution" shall not name any such Broker-Dealer or disclose the amount of Initial Securities held by any such Broker-Dealer except to the extent required by the Commission as a result of a change in policy after the date of this Agreement.

Each of the Company and the Guarantors shall use its commercially reasonable efforts to keep the Exchange Offer Registration Statement continuously effective, supplemented and amended as required by the provisions of Section 6(c) hereof to the extent necessary to ensure that it is available for resales of Initial Securities acquired by Broker-Dealers for their own accounts as a result of market-making activities or other trading activities, and to ensure that it conforms with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, for a period ending on the earlier of (i) 180 days from the date on which the Exchange Offer Registration Statement is declared effective and (ii) the date on which a Broker-Dealer is no longer required to deliver a prospectus in connection with market-making or other trading activities.

The Company shall provide sufficient copies of the latest version of such Prospectus to Broker-Dealers promptly upon request at any time during such 180-day (or shorter as provided in the foregoing sentence) period in order to facilitate such resales.

SECTION 4. *Shelf Registration*.

(a) *Shelf Registration.* If (i) the Company is not required to file an Exchange Offer Registration Statement or to consummate the Exchange Offer because the Exchange Offer is not permitted by applicable law or Commission policy (after the procedures set forth in Section 6(a) hereof have been complied with), (ii) for any reason the Exchange Offer is not Consummated by the Exchange Date, or (iii) with respect to any Holder of Transfer Restricted Securities (A) such Holder is prohibited by applicable law or Commission policy from participating in the Exchange Offer, or (B) such Holder may not resell the Exchange Securities acquired by it in the Exchange Offer to the public without delivering a prospectus and that the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales by such Holder, or (C) such Holder is a Broker-Dealer and holds Initial Securities acquired directly from the Company or one of its affiliates, then, upon such Holder's request, the Company and the Guarantors shall

(x) cause to be filed a shelf registration statement pursuant to Rule 415 under the Securities Act, which may be an amendment to the Exchange Offer Registration Statement (in either event, the "Shelf Registration Statement") as promptly as practicable, which Shelf Registration Statement shall provide for resales of all Transfer Restricted Securities the Holders of which shall have provided the information required pursuant to Section 4(b) hereof; and

(y) use their commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective by the Commission.

Each of the Company and the Guarantors shall use its commercially reasonable efforts to keep such Shelf Registration Statement continuously effective, supplemented and amended as required by the provisions of Sections 6(b) and (c) hereof to the extent necessary to ensure that it is available for resales of Initial Securities by the Holders of Transfer Restricted Securities entitled to the benefit of this Section 4(a), and to ensure that it conforms with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of at least two years following the Closing Date (or

shorter period that will terminate when all the Initial Securities covered by such Shelf Registration Statement have been sold pursuant to such Shelf Registration Statement).

(b) *Provision by Holders of Certain Information in Connection with the Shelf Registration Statement.* No Holder of Transfer Restricted Securities may include any of its Transfer Restricted Securities in any Shelf Registration Statement pursuant to this Agreement unless and until such Holder furnishes to the Company in writing, within 20 Business Days after receipt of a request therefor, such information as the Company may reasonably request for use in connection with any Shelf Registration Statement or Prospectus or preliminary Prospectus included therein. Each Holder as to which any Shelf Registration Statement is being effected agrees to furnish promptly to the Company all information required to be disclosed in order to make the information previously furnished to the Company by such Holder not materially misleading.

SECTION 5. *Additional Interest.* If (i) the Exchange Offer has not been Consummated by the Exchange Date, (ii) any Shelf Registration Statement, if required hereby, has not been declared effective by the Commission prior to the Exchange Date (or, if required pursuant to Section 4(a)(C), has not been declared effective by the Commission prior to the later of the Exchange Date and the date that is 90 days after such Holder makes such request pursuant to Section 4(a) hereof) or (iii) any Shelf Registration Statement required by this Agreement has been declared effective but ceases to be effective at any time at which it is required to be effective under this Agreement (each such event referred to in clauses (i) through (iii), a "Registration Default"), the Company hereby agrees that the interest rate borne by the Transfer Restricted Securities shall be increased by 0.25% per annum during the 90-day period immediately following the occurrence of any Registration Default and shall increase by 0.25% per annum at the end of each subsequent 90-day period, but in no event shall such increase exceed 1.00% per annum. Following the cure of all Registration Defaults relating to any particular Transfer Restricted Securities, the interest rate borne by the relevant Transfer Restricted Securities will be reduced to the original interest rate borne by such Transfer Restricted Securities; *provided*, *however*, that, if after any such reduction in interest rate, a different Registration Default occurs, the interest rate borne by the relevant Transfer Restricted Securities shall again be increased pursuant to the foregoing provisions.

All obligations of the Company and the Guarantors set forth in the preceding paragraph that are outstanding with respect to any Transfer Restricted Security at the time such security ceases to be a Transfer Restricted Security shall survive until such time as all such obligations with respect to such security shall have been satisfied in full.

SECTION 6. *Registration Procedures*.

(a) *Exchange Offer Registration Statement.* In connection with the Exchange Offer, the Company and the Guarantors shall comply with all of the provisions of Section 6(c) hereof, shall use their commercially reasonable efforts to effect such exchange to permit the sale of Transfer Restricted Securities being sold in accordance with the intended method or methods of distribution thereof, and shall comply with all of the following provisions:

(i) If in the reasonable opinion of counsel to the Company there is a question as to whether the Exchange Offer is permitted by applicable law, each of the Company

and the Guarantors hereby agrees to seek a no-action letter or other favorable decision from the Commission allowing the Company and the Guarantors to Consummate an Exchange Offer for such Initial Securities. Each of the Company and the Guarantors hereby agrees to pursue the issuance of such a decision to the Commission staff level but shall not be required to take commercially unreasonable action to effect a change of Commission policy. Each of the Company and the Guarantors hereby agrees, however, to (A) participate in telephonic conferences with the Commission, (B) deliver to the Commission staff an analysis prepared by counsel to the Company setting forth the legal bases, if any, upon which such counsel has concluded that such an Exchange Offer should be permitted and (C) diligently pursue a favorable resolution by the Commission staff of such submission.

(ii) As a condition to its participation in the Exchange Offer pursuant to the terms of this Agreement, each Holder of Transfer Restricted Securities shall furnish, upon the request of the Company, prior to the Consummation thereof, a written representation to the Company (which may be contained in the letter of transmittal contemplated by the Exchange Offer Registration Statement) to the effect that (A) it is not an affiliate of the Company, (B) it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any Person to participate in, a distribution of the Exchange Securities to be issued in the Exchange Offer and (C) it is acquiring the Exchange Securities in its ordinary course of business. In addition, all such Holders of Transfer Restricted Securities shall otherwise cooperate in the Company's preparations for the Exchange Offer. Each Holder hereby acknowledges and agrees that any Broker-Dealer and any such Holder using the Exchange Offer to participate in a distribution of the securities to be acquired in the Exchange Offer (1) could not under Commission policy as in effect on the date of this Agreement rely on the position of the Commission enunciated in Morgan Stanley and Co., Inc. (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters (which may include any no-action letter obtained pursuant to clause (i) above), and (2) must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction and that such a secondary resale transaction should be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K if the resales are of Exchange Securities obtained by such Holder in exchange for Initial Securities acquired by such Holder directly from the Company.

(b) *Shelf Registration Statement.* In connection with the Shelf Registration Statement, each of the Company and the Guarantors shall comply with all the provisions of Section 6(c) hereof and shall use its commercially reasonable efforts to effect such registration to permit the sale of the Transfer Restricted Securities being sold in accordance with the intended method or methods of distribution thereof, and pursuant thereto each of the Company and the Guarantors will as expeditiously as possible prepare and file with the Commission a Registration Statement relating to the registration on any appropriate form under the Securities Act, which form shall be available for the sale of the Transfer Restricted Securities in accordance with the intended method or methods of distribution thereof.

(c) *General Provisions.* In connection with any Registration Statement and any Prospectus required by this Agreement to permit the sale or resale of Transfer Restricted Securities (including, without limitation, any Registration Statement and the related Prospectus required to permit resales of Initial Securities by Broker-Dealers), each of the Company and the Guarantors shall:

(i) use its commercially reasonable efforts to keep such Registration Statement continuously effective and provide all requisite financial statements (including, if required by the Securities Act or any regulation thereunder, financial statements of the Guarantors for the period specified in Section 3 or 4 hereof, as applicable); upon the occurrence of any event that would cause any such Registration Statement or the Prospectus contained therein (A) to contain a material misstatement or omission or (B) not to be effective and usable for resale of Transfer Restricted Securities during the period required by this Agreement, the Company shall file promptly an appropriate amendment to such Registration Statement, in the case of clause (A), correcting any such misstatement or omission, and, in the case of either clause (A) or (B), use its commercially reasonable efforts to cause such amendment to be declared effective and such Registration Statement and the related Prospectus to become usable for their intended purpose(s) as soon as practicable thereafter;

(ii) prepare and file with the Commission such amendments and post-effective amendments to the applicable Registration Statement as may be necessary to keep the Registration Statement effective for the applicable period set forth in Section 3 or 4 hereof, as applicable, or such shorter period as will terminate when all Transfer Restricted Securities covered by such Registration Statement have been sold; cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with the applicable provisions of Rules 424 and 430A under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(iii) advise the underwriter(s), if any, and selling Holders promptly and, if requested by such Persons, to confirm such advice in writing, (A) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to any Registration Statement or any post-effective amendment thereto, when the same has become effective, (B) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Transfer Restricted Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, (D) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto, or any document incorporated by

reference therein untrue, or that requires the making of any additions to or changes in the Registration Statement or the Prospectus in order to make the statements therein not misleading. If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement, or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Transfer Restricted Securities under state securities or blue sky laws, each of the Company and the Guarantors shall use its commercially reasonable efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(iv) furnish without charge to each of the Initial Purchasers, each selling Holder named in any Registration Statement, and each of the underwriter(s), if any, before filing with the Commission, copies of any Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the review and comment of such Holders and underwriter(s) in connection with such sale, if any, for a period of at least five Business Days, and the Company will not file any such Registration Statement or Prospectus or any amendment or supplement to any such Registration Statement or Prospectus (including all such documents incorporated by reference) to which an Initial Purchaser of Transfer Restricted Securities covered by such Registration Statement or the underwriter(s), if any, shall reasonably object in writing within five Business Days after the receipt thereof (such objection to be deemed timely made upon confirmation of telecopy transmission within such period). The objection of an Initial Purchaser or underwriter, if any, shall be deemed to be reasonable if such Registration Statement, amendment, Prospectus or supplement, as applicable, as proposed to be filed, contains a material misstatement or omission;

(v) make available at reasonable times for inspection by the Initial Purchasers, the managing underwriter(s), if any, participating in any disposition pursuant to such Registration Statement and any attorney or accountant retained by such Initial Purchasers or any of the underwriter(s), financial and other records, pertinent corporate documents and properties reasonably requested of each of the Company and the Guarantors and cause the Company's and the Guarantors' officers, directors and employees to supply all information reasonably requested by any such Holder, underwriter, attorney or accountant in connection with such Registration Statement or any post-effective amendment thereto subsequent to the filing thereof and prior to its effectiveness and to participate in meetings with investors to the extent requested by the managing underwriter(s), if any;

(vi) if requested by any selling Holders or the underwriter(s), if any, promptly incorporate in any Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such selling Holders and underwriter(s), if any, may reasonably request to have included therein, including, without limitation, information relating to the "Plan of Distribution" of the Transfer Restricted Securities, information with respect to the principal amount of Transfer Restricted Securities being sold to such underwriter(s), the purchase price being paid therefor and any other terms of the offering of the Transfer Restricted Securities to be sold in such offer-

ing; and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(vii) cause the Transfer Restricted Securities covered by the Registration Statement to be rated with the appropriate rating agencies, if so requested by the Holders of a majority in aggregate principal amount of Securities covered thereby or the underwriter(s), if any;

(viii) furnish to each Initial Purchaser, each selling Holder and each of the underwriter(s), if any, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including financial statements and schedules, all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(ix) deliver to each selling Holder and each of the underwriter(s), if any, without charge, as many copies of the Prospectus (including each preliminary prospectus) and any amendment or supplement thereto as such Persons reasonably may request; each of the Company and the Guarantors hereby consents to the use of the Prospectus and any amendment or supplement thereto by each of the selling Holders and each of the underwriter(s), if any, in connection with the offering and the sale of the Transfer Restricted Securities covered by the Prospectus or any amendment or supplement thereto;

(x) enter into such agreements (including an underwriting agreement), and make such representations and warranties, and take all such other actions in connection therewith as are reasonable and customary in order to expedite or facilitate the disposition of the Transfer Restricted Securities pursuant to any Registration Statement contemplated by this Agreement, all to such extent as may be requested by any Initial Purchaser or by any Holder of Transfer Restricted Securities or underwriter in connection with any sale or resale pursuant to any Registration Statement contemplated by this Agreement; and whether or not an underwriting agreement is entered into and whether or not the registration is an Underwritten Registration, each of the Company and the Guarantors shall:

(A) furnish to each Initial Purchaser, each selling Holder and each underwriter, if any, in such substance and scope as they may request and as are customarily made by issuers to underwriters in primary underwritten offerings, upon the date of the Consummation of the Exchange Offer or, if applicable, the effectiveness of the Shelf Registration Statement:

(1) a certificate, dated the date of Consummation of the Exchange Offer or the date of effectiveness of the Shelf Registration Statement, as the case may be, signed by (y) the President or any Vice President and (z) a principal financial or accounting officer of each of the Company and the Guarantors, confirming, as of the date thereof, the matters set forth in paragraphs (i), (ii) and (iii) of Section 5(e) of the Purchase Agreement and such other matters as such parties may reasonably request;

(2) an opinion, dated the date of Consummation of the Exchange Offer or the date of effectiveness of the Shelf Registration Statement, as the case may be, of counsel for the Company and the Guarantors, covering the matters set forth in Section 5(c) of the Purchase Agreement and such other matter as such parties may reasonably request, and in any event including a statement to the effect that such counsel has participated in conferences with officers and other representatives of the Company and the Guarantors, representatives of the independent public accountants for the Company and the Guarantors, representatives of the underwriter(s), if any, and counsel to the underwriter(s), if any, in connection with the preparation of such Registration Statement and the related Prospectus and have considered the matters required to be stated therein and the statements contained therein, although such counsel has not independently verified the accuracy, completeness or fairness of such statements; and that such counsel advises that, on the basis of the foregoing, no facts came to such counsel's attention that caused such counsel to believe that the applicable Registration Statement, at the time such Registration Statement or any post-effective amendment thereto became effective, and, in the case of the Exchange Offer Registration Statement, as of the date of Consummation, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus contained in such Registration Statement as of its date and, in the case of the opinion dated the date of Consummation of the Exchange Offer, as of the date of Consummation, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein not misleading. Without limiting the foregoing, such counsel may state further that such counsel assumes no responsibility for, and has not independently verified, the accuracy, completeness or fairness of the financial statements, notes and schedules and other financial data included in any Registration Statement contemplated by this Agreement or the related Prospectus; and

(3) a customary comfort letter, dated the date of effectiveness of the Shelf Registration Statement, from the Company's independent accountants, in the customary form and covering matters of the type customarily requested to be covered in comfort letters by underwriters in connection with primary underwritten offerings, and covering or affirming the matters set forth in the comfort letters delivered pursuant to Section 5(a) of the Purchase Agreement, without exception;

(B) set forth in full or incorporate by reference in the underwriting agreement, if any, the indemnification provisions and procedures of Section 8 hereof with respect to all parties to be indemnified pursuant to said Section; and

(C) deliver such other documents and certificates as may be reasonably requested by such parties to evidence compliance with Section 6(c)(x)(A) hereof and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company or any of the Guarantors pursuant to this Section 6(c)(x), if any.

If at any time the representations and warranties of the Company and the Guarantors contemplated in Section 6(c)(x)(A)(1) hereof cease to be true and correct, the Company or the Guarantors shall so advise the Initial Purchasers and the underwriter(s), if any, and each selling Holder promptly and, if requested by such Persons, shall confirm such advice in writing;

(xi) prior to any public offering of Transfer Restricted Securities, cooperate with the selling Holders, the underwriter(s), if any, and their respective counsel in connection with the registration and qualification of the Transfer Restricted Securities under the state securities or blue sky laws of such jurisdictions as the selling Holders or underwriter(s), if any, may request and do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of the Transfer Restricted Securities covered by the Shelf Registration Statement; *provided*, *however*, that none of the Company or the Guarantors shall be required to register or qualify as a foreign corporation where it is not then so qualified or to take any action that would subject it to the service of process in suits or to taxation, other than as to matters and transactions relating to the Registration Statement, in any jurisdiction where it is not then so subject;

(xii) shall issue, upon the request of any Holder of Initial Securities covered by the Shelf Registration Statement, Exchange Securities having an aggregate principal amount equal to the aggregate principal amount of Initial Securities surrendered to the Company by such Holder in exchange therefor or being sold by such Holder; such Exchange Securities to be registered in the name of such Holder or in the name of the purchaser(s) of such Securities, as the case may be; in return, the Initial Securities held by such Holder shall be surrendered to the Company for cancellation;

(xiii) cooperate with the selling Holders and the underwriter(s), if any, to facilitate the timely preparation and delivery of certificates representing Transfer Restricted Securities to be sold and not bearing any restrictive legends; and enable such Transfer Restricted Securities to be in such denominations and registered in such names as the Holders or the underwriter(s), if any, may request at least two Business Days prior to any sale of Transfer Restricted Securities made by such Holders or underwriter(s);

(xiv) use its commercially reasonable efforts to cause the Transfer Restricted Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof or the underwriter(s), if any, to consummate the disposition of such Transfer Restricted Securities, subject to the proviso contained in Section 6(c)(xi) hereof;

(xv) if any fact or event contemplated by Section 6(c)(iii)(D) hereof shall exist or have occurred, prepare a supplement or post-effective amendment to the Registration

Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Transfer Restricted Securities, the Prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein not misleading;

(xvi) provide a CUSIP number for all Securities not later than the effective date of the Registration Statement covering such Securities and provide the Trustee under the Indenture with printed certificates for such Securities which are in a form eligible for deposit with the Depository Trust Company and take all other action necessary to ensure that all such Securities are eligible for deposit with the Depository Trust Company;

(xvii) cooperate and assist in any filings required to be made with the FINRA and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the FINRA;

(xviii) otherwise use its best commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders, as soon as practicable, a consolidated earnings statement meeting the requirements of Rule 158 of the Securities Act (which need not be audited) for the twelve-month period (A) commencing at the end of any fiscal quarter in which Transfer Restricted Securities are sold to underwriters in a firm commitment or best efforts Underwritten Offering or (B) if not sold to underwriters in such an offering, beginning with the first month of the Company's first fiscal quarter commencing after the effective date of the Registration Statement;

(xix) cause the Indenture to be qualified under the Trust Indenture Act not later than the effective date of the first Registration Statement required by this Agreement, and, in connection therewith, cooperate with the Trustee and the Holders of Securities to effect such changes to the Indenture as may be required for such Indenture to be so qualified in accordance with the terms of the Trust Indenture Act; and to execute and use its commercially reasonable efforts to cause the Trustee to execute, all documents that may be required to effect such changes and all other forms and documents required to be filed with the Commission to enable such Indenture to be so qualified in a timely manner;

(xx) cause all Securities covered by the Registration Statement to be listed on each securities exchange or automated quotation system on which similar securities issued by the Company are then listed if requested by the Holders of a majority in aggregate principal amount of Initial Securities or the managing underwriter(s), if any; and

(xxi) provide promptly to each Holder upon request each document filed with the Commission pursuant to the requirements of Section 13 and Section 15 of the Exchange Act.

Each Holder agrees by acquisition of a Transfer Restricted Security that, upon receipt of any notice from the Company of the existence of any fact of the kind described in Section

6(c)(iii)(D) hereof, such Holder will forthwith discontinue disposition of Transfer Restricted Securities pursuant to the applicable Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus contemplated by Section 6(c)(xv) hereof, or until it is advised in writing (the "Advice") by the Company that the use of the Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in the Prospectus. If so directed by the Company, each Holder will deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Transfer Restricted Securities that was current at the time of receipt of such notice. In the event the Company shall give any such notice, the time period regarding the effectiveness of such Registration Statement set forth in Section 3 or 4 hereof, as applicable, shall be extended by the number of days during the period from and including the date of the giving of such notice pursuant to Section 6(c)(iii)(D) hereof to and including the date when each selling Holder covered by such Registration Statement shall have received the copies of the supplemented or amended Prospectus contemplated by Section 6(c)(xv) hereof or shall have received the Advice; *provided, however,* that no such extension shall be taken into account in determining whether Additional Interest is due pursuant to Section 5 hereof or the amount of such Additional Interest, it being agreed that the Company's option to suspend use of a Registration Statement pursuant to this paragraph shall be treated as a Registration Default for purposes of Section 5 hereof.

SECTION 7. *Registration Expenses*.

(a) All expenses incident to the Company's and the Guarantors' performance of or compliance with this Agreement will be borne by the Company and the Guarantors, jointly and severally, regardless of whether a Registration Statement becomes effective, including, without limitation: (i) all registration and filing fees and expenses (including filings made by any Initial Purchaser or Holder with the FINRA (and, if applicable, the fees and expenses of any "qualified independent underwriter" and its counsel that may be required by the rules and regulations of the FINRA)); (ii) all fees and expenses of compliance with federal securities and state securities or blue sky laws; (iii) all expenses of printing (including printing certificates for the Exchange Securities to be issued in the Exchange Offer and printing of Prospectuses), messenger and delivery services and telephone; (iv) all fees and disbursements of counsel for the Company, the Guarantors and, subject to Section 7(b) hereof, the Holders of Transfer Restricted Securities; (v) all application and filing fees in connection with listing the Exchange Securities on a securities exchange or automated quotation system pursuant to the requirements thereof; and (vi) all fees and disbursements of independent certified public accountants of the Company and the Guarantors (including the expenses of any special audit and comfort letters required by or incident to such performance).

Each of the Company and the Guarantors will, in any event, bear its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit and the fees and expenses of any Person, including special experts, retained by the Company or the Guarantors.

(b) In connection with any Registration Statement required by this Agreement (including, without limitation, the Exchange Offer Registration Statement and the Shelf Registra-

tion Statement), the Company and the Guarantors, jointly and severally, will reimburse the Initial Purchasers and the Holders of Transfer Restricted Securities being tendered in the Exchange Offer and/or resold pursuant to the "Plan of Distribution" contained in the Exchange Offer Registration Statement or registered pursuant to the Shelf Registration Statement, as applicable, for the reasonable fees and disbursements of not more than one counsel, who shall be Cahill Gordon & Reindel LLP or such other counsel as may be chosen by the Holders of a majority in principal amount of the Transfer Restricted Securities for whose benefit such Registration Statement is being prepared.

SECTION 8. *Indemnification*.

(a) The Company and the Guarantors, jointly and severally, agree to indemnify and hold harmless (i) each Holder and (ii) each Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) any Holder (any of the Persons referred to in this clause (ii) being hereinafter referred to as a "controlling person") and (iii) the respective officers, directors, partners, employees, representatives and agents of any Holder or any controlling person (any Person referred to in clause (i), (ii) or (iii) may hereinafter be referred to as an "Indemnified Holder"), to the fullest extent lawful, from and against any and all losses, claims, damages, liabilities, judgments, actions and expenses (including, without limitation, and as incurred, reimbursement of all reasonable costs of investigating, preparing, pursuing, settling, compromising, paying or defending any claim or action, or any investigation or proceeding by any governmental agency or body, commenced or threatened, including the reasonable fees and expenses of counsel to any Indemnified Holder), joint or several, directly or indirectly caused by, related to, based upon, arising out of or in connection with any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement or Prospectus (or any amendment or supplement thereto), or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such losses, claims, damages, liabilities or expenses are caused by an untrue statement or omission or alleged untrue statement or omission that is made in reliance upon and in conformity with information relating to any of the Holders furnished in writing to the Company by any of the Holders expressly for use therein. This indemnity agreement shall be in addition to any liability which the Company or any of the Guarantors may otherwise have.

In case any action or proceeding (including any governmental or regulatory investigation or proceeding) shall be brought or asserted against any of the Indemnified Holders with respect to which indemnity may be sought against the Company or the Guarantors, such Indemnified Holder (or the Indemnified Holder controlled by such controlling person) shall promptly notify the Company and the Guarantors in writing; *provided, however,* that the failure to give such notice shall not relieve any of the Company or the Guarantors of its obligations pursuant to this Agreement. Such Indemnified Holder shall have the right to employ its own counsel in any such action and the fees and expenses of such counsel shall be paid, as incurred, by the Company and the Guarantors (regardless of whether it is ultimately determined that an Indemnified Holder is not entitled to indemnification hereunder). The Company and the Guarantors shall not, in connection with any one such action or proceeding or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of at-

torneys (in addition to any local counsel) at any time for such Indemnified Holders, which firm shall be designated by the Holders.

The Company and the Guarantors shall be liable for any settlement of any such action or proceeding effected with the Company's and the Guarantors' prior written consent, which consent shall not be withheld unreasonably, and each of the Company and the Guarantors agrees to indemnify and hold harmless any Indemnified Holder from and against any loss, claim, damage, liability or expense by reason of any settlement of any action effected with the written consent of the Company and the Guarantors. The Company and the Guarantors shall not, without the prior written consent of each Indemnified Holder, settle or compromise or consent to the entry of judgment in or otherwise seek to terminate any pending or threatened action, claim, litigation or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Holder is a party thereto), unless such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Holder from all liability arising out of such action, claim, litigation or proceeding.

(b) Each Holder of Transfer Restricted Securities agrees, severally and not jointly, to indemnify and hold harmless the Company, the Guarantors and their respective directors, officers of the Company and the Guarantors who sign a Registration Statement, and any Person controlling (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) the Company or any of the Guarantors, and the respective officers, directors, partners, employees, representatives and agents of each such Person, to the same extent as the foregoing indemnity from the Company and the Guarantors to each of the Indemnified Holders, but only with respect to claims and actions based on information relating to such Holder furnished in writing by such Holder expressly for use in any Registration Statement. In case any action or proceeding shall be brought against the Company, the Guarantors or their respective directors or officers or any such controlling person in respect of which indemnity may be sought against a Holder of Transfer Restricted Securities, such Holder shall have the rights and duties given the Company and the Guarantors, and the Company, the Guarantors, their respective directors and officers and such controlling person shall have the rights and duties given to each Holder by the preceding paragraph.

(c) If the indemnification provided for in this Section 8 is unavailable to an indemnified party under Section 8(a) or (b) hereof (other than by reason of exceptions provided in those Sections) in respect of any losses, claims, damages, liabilities, judgments, actions or expenses referred to therein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantors, on the one hand, and the Holders, on the other hand, from the Initial Placement (which in the case of the Company and the Guarantors shall be deemed to be equal to the total gross proceeds to the Company and the Guarantors from the Initial Placement), the amount of Additional Interest which did not become payable as a result of the filing of the Registration Statement resulting in such losses, claims, damages, liabilities, judgments actions or expenses, and such Registration Statement, or if such allocation is not permitted by applicable law, the relative fault of the Company and the Guarantors, on the one hand, and the Holders, on the other hand, in connection with the statements or omis-

sions which resulted in such losses, claims, damages, liabilities or expenses, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and of the Indemnified Holder on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or any of the Guarantors, on the one hand, or the Indemnified Holders, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and expenses referred to above shall be deemed to include, subject to the limitations set forth in the second paragraph of Section 8(a) hereof, any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim.

The Company, the Guarantors and each Holder of Transfer Restricted Securities agree that it would not be just and equitable if contribution pursuant to this Section 8(c) were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or expenses referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8, none of the Holders (and its related Indemnified Holders) shall be required to contribute, in the aggregate, any amount in excess of the amount by which the total discount received by such Holder with respect to the Initial Securities exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Holders' obligations to contribute pursuant to this Section 8(c) are several in proportion to the respective principal amount of Initial Securities held by each of the Holders hereunder and not joint.

SECTION 9. *Rule 144A.* Each of the Company and the Guarantors hereby agrees with each Holder, for so long as any Transfer Restricted Securities remain outstanding, to make available to any Holder or beneficial owner of Transfer Restricted Securities in connection with any sale thereof and any prospective purchaser of such Transfer Restricted Securities from such Holder or beneficial owner, the information required by Rule 144A(d)(4) under the Securities Act in order to permit resales of such Transfer Restricted Securities pursuant to Rule 144A under the Securities Act.

SECTION 10. *Participation in Underwritten Registrations.* No Holder may participate in any Underwritten Registration hereunder unless such Holder (a) agrees to sell such Holder's Transfer Restricted Securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all reasonable questionnaires, powers of attorney, indemnities, underwriting agreements, lock-up letters and other documents required under the terms of such underwriting arrangements.

SECTION 11. *Selection of Underwriters.* The Holders of Transfer Restricted Securities covered by the Shelf Registration Statement who desire to do so may sell such Transfer Restricted Securities in an Underwritten Offering. In any such Underwritten Offering, the investment banker(s) and managing underwriter(s) that will administer such offering will be selected by the Holders of a majority in aggregate principal amount of the Transfer Restricted Securities included in such offering; *provided, however*, that such investment banker(s) and managing underwriter(s) must be reasonably satisfactory to the Company.

SECTION 12. *Miscellaneous.*

(a) *Remedies.* Each of the Company and the Guarantors hereby agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Agreement and hereby agree to waive the defense in any action for specific performance that a remedy at law would be adequate.

(b) *No Inconsistent Agreements.* Each of the Company and the Guarantors will not on or after the date of this Agreement enter into any agreement with respect to its securities that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof. Neither the Company nor any of the Guarantors has previously entered into any agreement granting any registration rights with respect to its securities to any Person. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's or any of the Guarantors' securities under any agreement in effect on the date hereof.

(c) *Adjustments Affecting the Securities.* The Company will not take any action, or permit any change to occur, with respect to the Securities that would materially and adversely affect the ability of the Holders to Consummate any Exchange Offer.

(d) *Amendments and Waivers.* The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given unless the Company has (i) in the case of Section 5 hereof and this Section 12(d)(i), obtained the written consent of Holders of all outstanding Transfer Restricted Securities and (ii) in the case of all other provisions hereof, obtained the written consent of Holders of a majority of the outstanding principal amount of Transfer Restricted Securities (excluding any Transfer Restricted Securities held by the Company or its Affiliates). Notwithstanding the foregoing, a waiver or consent to departure from the provisions hereof that relates exclusively to the rights of Holders whose securities are being tendered pursuant to the Exchange Offer and that does not affect directly or indirectly the rights of other Holders whose securities are not being tendered pursuant to such Exchange Offer may be given by the Holders of a majority of the outstanding principal amount of Transfer Restricted Securities being tendered or registered; *provided, however*, that, with respect to any matter that directly or indirectly affects the rights of any Initial Purchaser hereunder, the Company shall obtain the written consent of each such Initial Purchaser with respect to which such amendment, qualification, supplement, waiver, consent or departure is to be effective.

(e) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail (registered or certified, return receipt requested), telex, telecopier, or air courier guaranteeing overnight delivery:

(i) if to a Holder, at the address set forth on the records of the Registrar under the Indenture, with a copy to the Registrar under the Indenture; and

(ii) if to the Company or the Guarantors:

Prestige Brands, Inc.
90 North Broadway
Irvington, NY 10533
Telecopier No.: (914) 524-6821
Attention: Peter J. Anderson

With a copy to:

Alston & Bird LLP
90 Park Avenue
New York, NY
Telecopier No.: (212) 922-3995
Attention: Mark F. McElreath

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt acknowledged, if telecopied; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands or other communications shall be concurrently delivered by the Person giving the same to the Trustee at the address specified in the Indenture.

(f) *Successors and Assigns*. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including, without limitation, and without the need for an express assignment, subsequent Holders of Transfer Restricted Securities; *provided*, *however*, that this Agreement shall not inure to the benefit of or be binding upon a successor or assign of a Holder unless and to the extent such successor or assign acquired Transfer Restricted Securities from such Holder.

(g) *Counterparts.* This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) *Headings.* The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) *Governing Law.* THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICTS OF LAW RULES THEREOF.

(j) *Severability.* In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(k) *Entire Agreement.* This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted by the Company with respect to the Transfer Restricted Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

PRESTIGE BRANDS, INC.

By: /s/ Peter J. Anderson
Chief Financial Officer

PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE PERSONAL CARE HOLDINGS, INC.
PRESTIGE PERSONAL CARE, INC.
PRESTIGE SERVICES CORP.
PRESTIGE BRANDS HOLDINGS, INC.
PRESTIGE BRANDS INTERNATIONAL, INC.
MEDTECH HOLDINGS, INC.
MEDTECH PRODUCTS INC.
THE CUTEX COMPANY
THE DENOREX COMPANY
THE SPIC AND SPAN COMPANY

By: /s/ Peter J. Anderson
Chief Financial Officer

The foregoing Registration Rights Agreement is hereby confirmed and accepted as of the date first above written:

BANC OF AMERICA SECURITIES LLC
DEUTSCHE BANK SECURITIES INC.

By: Banc of America Securities LLC

By: /s/ Aaron Peyton
Managing Director

By: Deutsche Bank Securities Inc.

By: /s/ Scott Sartorius
Name: Scott Sartorius
Title: Managing Director

By: /s/ Sandeep Desai
Name: Sandeep Desai
Title: Director

Executive Employment Agreement

1. Employment. Employer agrees to employ Executive and Executive accepts such employment for the period beginning as of October 1st 2007 and ending upon his separation pursuant to Section 1(c) hereof (the "Employment Period").

(a) Position and Duties.

(i) During the Employment Period, Executive shall serve as the Senior Vice President, Sales of Employer and shall have the normal duties, responsibilities and authority implied by such position, subject to the power of the Chief Executive Officer of Employer and the Board to expand or limit such duties, responsibilities and authority and to override such actions.

(ii) Executive shall report to the Chief Executive Officer of Employer, and Executive shall devote his best efforts and his full business time and attention to the business and affairs of Employer and its Subsidiaries (as defined below).

(b) Salary, Bonus and Benefits. During the Employment Period, Employer will pay Executive a base salary of $201,000 per annum (the "Annual Base Salary"). In addition, the Executive shall be eligible for and participate in the Annual Incentive Compensation Plan (the "Annual Bonus") under which the Executive shall be eligible for an annual Target Bonus payment of 45% of Annual Base Salary. Executive is eligible for the Long Term Incentive Plan of company. During the Employment Period, Executive will be entitled to such other benefits approved by the Board and made available to the senior management of the Company, Employer and their Subsidiaries, which shall include vacation time (four weeks per year) and medical, dental, life and disability insurance. The Board, on a basis consistent with past practice, shall review the Annual Base Salary of Executive and may increase the Annual Base Salary by such amount as the Board, in its sole discretion, shall deem appropriate. The term "Annual Base Salary" as used in this Agreement shall refer to the Annual Base Salary as it may be so increased.

(c) Separation. The Employment Period will continue until (i) Executive's death, disability or resignation from employment with the Company, Employer and their respective Subsidiaries or (ii) the Company, Employer and their respective Subsidiaries decide to terminate Executive's employment with or without Cause (as defined below). If (A) Executive's employment is terminated without Cause pursuant to clause (ii) above or (B) Executive resigns from employment with the Company, Employer and or any of their respective Subsidiaries for Good Reason, then during the period commencing on the date of termination of the Employment Period and ending on the first anniversary of the date of termination (the "Severance Period"), Employer shall pay to Executive, in equal installments on the Employer's regular salary payment dates, an aggregate amount equal to (I) his Annual Base Salary, plus (II) an amount equal to the

Annual Bonus, if any, paid or payable to Executive by Employer for the last fiscal year ended prior to the date of termination. In addition, if Executive is entitled on the date of termination to coverage under the medical and prescription portions of the Welfare Plans, such coverage shall continue for Executive and Executive's covered dependents for a period ending on the first anniversary of the date of termination at the active employee cost payable by Executive with respect to those costs paid by Executive prior to the date of termination; provided, that this coverage will count towards the depletion of any continued health care coverage rights that Executive and Executive's dependents may have pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"); provided further, that Executive's or Executive's covered dependents' rights to continued health care coverage pursuant to this Section 1(c) shall terminate at the time Executive or Executive's covered dependents become covered, as described in COBRA, under another group health plan, and shall also terminate as of the date Employer ceases to provide coverage to its senior executives generally under any such Welfare Plan. Notwithstanding the foregoing, (I) Executive shall not be entitled to receive any payments or benefits pursuant to this Section 1(c) unless Executive has executed and delivered to Employer a general release in form and substance satisfactory to Employer and (II) Executive shall be entitled to receive such payments and benefits only so long as Executive has not breached the provisions of Section 2 or Section 3 hereof. The release described in the foregoing sentence shall not require Executive to release any claims for any vested employee benefits, workers compensation benefits covered by insurance or self-insurance, claims to indemnification to which Executive may be entitled under Employer's or its Subsidiaries' certificate(s) of incorporation, by-laws or under any of Employer's or its Subsidiaries' directors or officers insurance policy(ies) or applicable law, or equity claims to contribution from Employer or its Subsidiaries or any other Person to which Executive is entitled as a matter of law in respect of any claim made against Executive for an alleged act or omission in Executive's official capacity and within the scope of Executive's duties as an officer, director or employee of Employer or its Subsidiaries. Not later than eighteen (18) months following the termination of Executive's employment, Employer and its Subsidiaries for which the Executive has acted in the capacity of a senior manager, shall sign and deliver to Executive a release of claims that Employer and its Subsidiaries have against Executive; provided that, such release shall not release any claims that Employer and/or its Subsidiaries commenced prior to the date of the release(s), any claims relating to matters actively concealed by Executive, any claims to contribution from Executive to which Employer or its Subsidiaries are entitled as a matter of law or any claims arising out of mistaken indemnification by Employer and/or any of its Subsidiaries. Except as otherwise provided in this Section 1(c) or in the Employer's employee benefit plans or as otherwise required by applicable law, Executive shall not be entitled to any other salary, compensation or benefits after termination of Executive's employment with Employer.

2. Confidential Information.

(a) Obligation to Maintain Confidentiality. Executive acknowledges that the information, observations and data (including trade secrets) obtained by him during the course of his performance under this Agreement concerning the business or affairs of Employer, its Subsidiaries and Affiliates ("Confidential Information") are the property of Employer, its Subsidiaries and Affiliates, as applicable, including information concerning acquisition opportunities in or reasonably related to Employer's, its Subsidiaries' and/or Affiliates' business or industry of which Executive becomes aware during the Employment Period. Therefore, Executive agrees that he will not disclose to any unauthorized Person or use for his own account (for his commercial advantage or otherwise) any Confidential Information without the Board's written consent, unless and to the extent that the Confidential Information, (i) becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions to act, (ii) was known to Executive prior to Executive's employment with Employer or any of its Subsidiaries or Affiliates or (iii) is required to be disclosed pursuant to any applicable law, court order or other governmental decree. Executive shall deliver to Employer at a Separation, or at any other time Employer may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Employer, its Subsidiaries and Affiliates (including, without limitation, all acquisition prospects, lists and contact information) which he may then possess or have under his control.

(b) Ownership of Property. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, processes, programs, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) that relate to Employer's, its Subsidiaries' and/or Affiliates' actual or anticipated business, research and development, or existing or future products or services and that are conceived, developed, contributed to, made, or reduced to practice by Executive (either solely or jointly with others) while employed by the Employer, its Subsidiaries and/or Affiliates (including any of the foregoing that constitutes any proprietary information or records) ("Work Product") belong to the Employer or such Subsidiary or Affiliate and Executive hereby assigns, and agrees to assign, all of the above Work Product to Employer or to such Subsidiary or Affiliate. Any copyrightable work prepared in whole or in part by Executive in the course of his work for any of the foregoing entities shall be deemed a "work made for hire" under the copyright laws, and Employer or such Subsidiary or Affiliate shall own all rights therein. To the extent that any such copyrightable work is not a "work made for hire," Executive hereby assigns and agrees to assign to Employer or such Subsidiary or Affiliate all right, title, and interest, including without limitation, copyright in and to such copyrightable work. Executive shall

promptly disclose such Work Product and copyrightable work to the Board and perform all actions reasonably requested by the Board (whether during or after the Employment Period) to establish and confirm the Employer's or such Subsidiary's or Affiliate's ownership (including, without limitation, assignments, consents, powers of attorney, and other instruments).

(c) Third Party Information. Executive understands that Employer, its Subsidiaries and Affiliates will receive from third parties confidential or proprietary information ("Third Party Information"), subject to a duty on Employer's, its Subsidiaries' and Affiliates' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the Employment Period and thereafter, and without in any way limiting the provisions of Section 2(a) above, Executive will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel and consultants of Employer, its Subsidiaries and Affiliates who need to know such information in connection with their work for Employer or any of its Subsidiaries and Affiliates) or use, except in connection with his work for Employer or any of its Subsidiaries and Affiliates, Third Party Information unless expressly authorized by a member of the Board (other than himself if Executive is on the Board) in writing.

(d) Use of Information of Prior Employers. During the Employment Period and thereafter, Executive will not improperly use or disclose any confidential information or trade secrets, if any, of any former employers or any other Person to whom Executive has an obligation of confidentiality, and will not bring onto the premises of Employer or any of its Subsidiaries or Affiliates any unpublished documents or any property belonging to any former employer or any other Person to whom Executive has an obligation of confidentiality unless consented to in writing by the former employer or Person. Executive will use in the performance of his duties only information which is (i) generally known and used by persons with training and experience comparable to Executive's and which is (x) common knowledge in the industry or (y) otherwise legally in the public domain, (ii) otherwise provided or developed by Employer or any of its Subsidiaries or Affiliates or (iii) in the case of materials, property or information belonging to any former employer or other Person to whom Executive has an obligation of confidentiality, approved for such use in writing by such former employer or Person.

3. Non-competition and No Solicitation. Executive acknowledges that (i) the course of his employment with Employer he will become familiar with Employer's, its Subsidiaries' and Affiliates' trade secrets and with other confidential information concerning the Employer, its Subsidiaries and Affiliates; and (ii) his services will be of special, unique and extraordinary value to Employer and such Subsidiaries. Therefore, Executive agrees that:

(a) Non-competition. During the Employment Period and also during the period commencing on the date of termination of the Employment Period and

ending on the first anniversary of the date of termination, he shall not without the express written consent of Employer, anywhere in the United States, directly or indirectly, own, manage, control, participate in, consult with, render services for, or in any manner engage in any business (i) which competes with (a) OTC wart treatment products (including, without limitation, cryogen-based products), (b) devices for treatment or management of bruxism, (c) OTC sore throat treatment products (including, without limitation, liquids, lozenges and strips), (d) inter-proximal devices, (e) copper scrubbers, (f) powdered and liquid cleansers, (g) pediatric OTC medicinal products, or (h) any other business acquired by Employer and its Subsidiaries after the date hereof which represents 5% or more of the consolidated revenues or EBITDA of Employer and its Subsidiaries for the trailing 12 months ending on the last day of the last completed calendar month immediately preceding the date of termination of the Employment Period, or (ii) in which Employer and/or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by such Person (x) within one year prior to the Separation and (y) during the Severance Period, if any. Nothing herein shall prohibit Executive from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Executive has no active participation in the business of such corporation

(b) No solicitation. During the Employment Period and also during the period commencing on the date of termination of the Employment Period and ending on the first anniversary of the date of termination, Executive shall not directly or indirectly through another entity (i) induce or attempt to induce any employee of Employer or its Subsidiaries to leave the employ of Employer or its Subsidiaries, or in any way interfere with the relationship between Employer or its Subsidiaries and any employee thereof, (ii) hire any person who was an employee of Employer or its Subsidiaries within 180 days after such person ceased to be an employee of Employer or its Subsidiaries (provided, however, that such restriction shall not apply for a particular employee if Employer or its Subsidiaries have provided written consent to such hire, which consent, in the case of any person who was not a key employee of Employer or its Subsidiaries shall not be unreasonably withheld), (iii) induce or attempt to induce any customer, supplier, licensee or other business relation of Employer or its Subsidiaries to cease doing business with Employer or its Subsidiaries or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and Employer or its Subsidiaries or (iv) directly or indirectly acquire or attempt to acquire an interest in any business relating to the business of Employer or its Subsidiaries and with which Employer or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by Employer or its Subsidiaries in the two year period immediately preceding a Separation.

(c) Enforcement. If, at the time of enforcement of Section 2 or this Section 3, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration,

scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum duration, scope and area permitted by law. Because Executive's services are unique and because Executive has access to Confidential Information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Agreement. Therefore, in the event of a breach or threatened breach of this Agreement, Employer, its Subsidiaries or their successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security).

(d) Additional Acknowledgments. Executive acknowledges that the provisions of this Section 3 are in consideration of: (i) employment with the Employer, (ii) the prospective issuance of securities by Employer pursuant to the Long-Term Equity Incentive Plan and (iii) additional good and valuable consideration as set forth in this Agreement. In addition, Executive agrees and acknowledges that the restrictions contained in Section 2 and this Section 3 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive acknowledges (i) that the business of Employer and its Subsidiaries will be conducted throughout the United States, (ii) notwithstanding the state of incorporation or principal office of Employer or any of its Subsidiaries, or any of their respective executives or employees (including the Executive), it is expected that Employer and its Subsidiaries will have business activities and have valuable business relationships within its industry throughout the United States and (iii) as part of his responsibilities, Executive will be traveling throughout the United States in furtherance of Employer's and/or its Subsidiaries' business and their relationships. Executive agrees and acknowledges that the potential harm to Employer and its Subsidiaries of the non-enforcement of Section 2 and this Section 3 outweighs any potential harm to Executive of their enforcement by injunction or otherwise. Executive acknowledges that he has carefully read this Agreement and has given careful consideration to the restraints imposed upon Executive by this Agreement, and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of Employer and its Subsidiaries now existing or to be developed in the future. Executive expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area.

4. Miscellaneous.

(a) Survival. The provisions of Sections 1(c), 2, 3 and 4 shall survive the termination of this Agreement.

(b) Entire Agreement. This Agreement sets forth the entire understanding of the parties and merges and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties pertaining to the subject matter hereof.

(c) Modification. This Agreement may not be modified or terminated orally, and no modification or waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

(d) Waiver. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations hereof shall not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter to enforce any provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

(e) Successors and Assigns. Neither party shall have the right to assign this Agreement, or any rights or obligations hereunder, without the consent of the other party; provided, however, that upon the sale of all or substantially all of the assets, business and goodwill of Employer to another company, or upon the merger or consolidation of Employer with another company, this Agreement shall inure to the benefit of, and be binding upon, both Executive and the company purchasing such assets, business and goodwill, or surviving such merger or consolidation, as the case may be, in the same manner and to the same extent as though such other company were Employer; and provided, further, that Employer shall have the right to assign this Agreement to any Affiliate or Subsidiary of Employer. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their legal representatives, heirs, successors and permitted assigns.

(f) Communications. All notices or other communications required or permitted hereunder will be in writing and will be deemed given or delivered when delivered personally, by registered or certified mail or by overnight courier (fare prepaid) addressed as follows:

(i) To Employer: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Chief Executive Officer

(ii) With a copy to: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Legal Department

(iii) To the Employee: David Talbert
7 Farm Road
Randolph, New Jersey 07869

or to such address as a party hereto may indicate by a notice delivered to the other party. Notice will be deemed received the same day when delivered personally, five (5) days after mailing when sent by registered or certified mail, and the next business day when delivered by overnight courier. Any party hereto may change its address to which all communications and notices may be sent by addressing notices of such change in the manner provided.

(g) Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity and enforceability of the other provisions of this Agreement and the provision held to be invalid or unenforceable shall be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

(h) Governing Law. This Agreement will be governed by, construed and enforced in accordance with the laws of the State of New York, without giving effect to its conflicts of law provisions.

(i) Jurisdiction; Venue. THIS AGREEMENT SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS SITTING IN WESTCHESTER COUNTY, NEW YORK. THE PARTIES TO THIS AGREEMENT IRREVOCABLY AND EXPRESSLY AGREE TO SUBMIT TO THE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR COURTS OF THE STATE OF NEW YORK IN WESTCHESTER COUNTY, NEW YORK FOR THE PURPOSE OF RESOLVING ANY DISPUTES AMONG THE PARTIES RELATING TO THIS AGREEMENT. THE PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR ANY JUDGMENT ENTERED BY ANY COURT IN RESPECT HEREOF, BROUGHT IN WESTCHESTER COUNTY, NEW YORK, AND FURTHER IRREVOCABLY WAIVE ANY CLAIM THAT ANY SUIT, ACTION OR PROCEEDING BROUGHT IN WESTCHESTER COUNTY, NEW YORK HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE PARTIES HERETO AGREE TO SERVICE OF PROCESS BY CERTIFIED OR REGISTERED UNITED STATES MAIL, POSTAGE PREPAID, ADDRESSED TO THE PARTY IN QUESTION.

(j) Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF

ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

(k) No Third-Party Beneficiaries. Each of the provisions of this Agreement is for the sole and exclusive benefit of the parties hereto and shall not be deemed for the benefit of any other person or entity.

(l) Code Section 409A. The parties to this Agreement intend that the Agreement complies with Section 409A of the Internal Revenue Code, where applicable, and this Agreement shall be interpreted in a manner consistent with that intention. To the extent not otherwise provided by this Agreement, and solely to the extent required by Section 409A of the Code, no payment or other distribution required to be made to the Executive hereunder (including any payment of cash, any transfer of property and any provision of taxable benefits) as a result of his termination of employment with Employer shall be made earlier than the date that is six (6) months and one day following the date on which the Executive separates from service with Employer any and its affiliates (within the meaning of Section 409A of the Code).

(m) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

PRESTIGE BRANDS HOLDINGS, INC.

By: /s/ Mark Pettie
Name: Mark Pettie
Title: Chairman and Chief Executive Officer

/s/ David Talbert
David Talbert

DEFINITIONS

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "controlling" have meanings correlative thereto.

"Cause" is defined as (i) your willful and continued failure to substantially perform your duties with Employer (other than any such failure resulting from your incapacity due to physical or mental illness) that has not been cured within 10 days after a written demand for substantial performance is delivered to you by the Board, which demand specifically identifies the manner in which the Board believes that you have not substantially performed your duties, (ii) the willful engaging by you in conduct which is demonstrably and materially injurious to Employer or its Affiliates, monetarily or otherwise, (iii) your conviction (or plea of nolo contendere) for any felony or any other crime involving dishonesty, fraud or moral turpitude, (iv) your breach of fiduciary duty to Employer or its Affiliates, (v) any violation of Employer's policies relating to compliance with applicable laws which have a material adverse effect on Employer or its Affiliates or (vi) your breach of any restrictive covenant. For purposes of clauses (i) and (ii) of this definition, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your act, or failure to act, was in the best interest of Employer.

"Good Reason" is defined as, without your consent, (i) the assignment to you of any duties inconsistent with your status as the Senior Vice President, Sales or a substantial adverse alteration in the nature or status of the your responsibilities, unless Employer has cured such events within 10 business days after the receipt of written notice thereof from you, (ii) a reduction in your annual base salary or target annual bonus percentage, except for across-the-board salary reductions similarly affecting all senior executives of Employer, or (iii) the relocation of Employer's headquarters by more than 30 miles.

"Person" means any person or entity, whether an individual, trustee, corporation, limited liability company, partnership, trust, unincorporated organization, business association, firm, joint venture, governmental authority or similar entity.

"Subsidiary" of any specified Person shall mean any corporation fifty percent (50%) or more of the outstanding capital stock of which, or any partnership, joint venture, limited liability company or other entity fifty percent (50%) or more of the ownership interests of which, is directly or indirectly owned or controlled by such

specified Person, or any such corporation, partnership, joint venture, limited liability company, or other entity which may otherwise be controlled, directly or indirectly, by such Person.

Exhibit 10.14

Executive Employment Agreement

1. Employment. Employer agrees to employ Executive and Executive accepts such employment for the period beginning as of October 1st 2007 and ending upon his separation pursuant to Section 1(c) hereof (the "Employment Period").

(a) Position and Duties.

(i) During the Employment Period, Executive shall serve as the Senior Vice President, Operations of Employer and shall have the normal duties, responsibilities and authority implied by such position, subject to the power of the Chief Executive Officer of Employer and the Board to expand or limit such duties, responsibilities and authority and to override such actions.

(ii) Executive shall report to the Chief Executive Officer of Employer, and Executive shall devote his best efforts and his full business time and attention to the business and affairs of Employer and its Subsidiaries (as defined below).

(b) Salary, Bonus and Benefits. During the Employment Period, Employer will pay Executive a base salary of $196,000 per annum (the "Annual Base Salary"). In addition, the Executive shall be eligible for and participate in the Annual Incentive Compensation Plan (the "Annual Bonus") under which the Executive shall be eligible for an annual Target Bonus payment of 39% of Annual Base Salary through Fiscal Year 2008 and a Target Bonus payment of 45% for Fiscal Year 2009. Executive is eligible for the Long Term Incentive Plan of company. During the Employment Period, Executive will be entitled to such other benefits approved by the Board and made available to the senior management of the Company, Employer and their Subsidiaries, which shall include vacation time (four weeks per year) and medical, dental, life and disability insurance. The Board, on a basis consistent with past practice, shall review the Annual Base Salary of Executive and may increase the Annual Base Salary by such amount as the Board, in its sole discretion, shall deem appropriate. The term "Annual Base Salary" as used in this Agreement shall refer to the Annual Base Salary as it may be so increased.

(c) Separation. The Employment Period will continue until (i) Executive's death, disability or resignation from employment with the Company, Employer and their respective Subsidiaries or (ii) the Company, Employer and their respective Subsidiaries decide to terminate Executive's employment with or without Cause (as defined below). If (A) Executive's employment is terminated without Cause pursuant to clause (ii) above or (B) Executive resigns from employment with the Company, Employer or any of their respective Subsidiaries for Good Reason, then during the period commencing on the date of termination of the Employment Period and ending on the first anniversary of the date of termination (the "Severance Period"), Employer shall pay to Executive, in equal installments on the Employer's regular salary payment dates, an aggregate

amount equal to (I) his Annual Base Salary, plus (II) an amount equal to the Annual Bonus, if any, paid or payable to Executive by Employer for the last fiscal year ended prior to the date of termination. In addition, if Executive is entitled on the date of termination to coverage under the medical and prescription portions of the Welfare Plans, such coverage shall continue for Executive and Executive's covered dependents for a period ending on the first anniversary of the date of termination at the active employee cost payable by Executive with respect to those costs paid by Executive prior to the date of termination; provided, that this coverage will count towards the depletion of any continued health care coverage rights that Executive and Executive's dependents may have pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"); provided further, that Executive's or Executive's covered dependents' rights to continued health care coverage pursuant to this Section 1(c) shall terminate at the time Executive or Executive's covered dependents become covered, as described in COBRA, under another group health plan, and shall also terminate as of the date Employer ceases to provide coverage to its senior executives generally under any such Welfare Plan. Notwithstanding the foregoing, (I) Executive shall not be entitled to receive any payments or benefits pursuant to this Section 1(c) unless Executive has executed and delivered to Employer a general release in form and substance satisfactory to Employer and (II) Executive shall be entitled to receive such payments and benefits only so long as Executive has not breached the provisions of Section 2 or Section 3 hereof. The release described in the foregoing sentence shall not require Executive to release any claims for any vested employee benefits, workers compensation benefits covered by insurance or self-insurance, claims to indemnification to which Executive may be entitled under Employer's or its Subsidiaries' certificate(s) of incorporation, by-laws or under any of Employer's or its Subsidiaries' directors or officers insurance policy(ies) or applicable law, or equity claims to contribution from Employer or its Subsidiaries or any other Person to which Executive is entitled as a matter of law in respect of any claim made against Executive for an alleged act or omission in Executive's official capacity and within the scope of Executive's duties as an officer, director or employee of Employer or its Subsidiaries. Not later than eighteen (18) months following the termination of Executive's employment, Employer and its Subsidiaries for which the Executive has acted in the capacity of a senior manager, shall sign and deliver to Executive a release of claims that Employer and its Subsidiaries have against Executive; provided that, such release shall not release any claims that Employer and/or its Subsidiaries commenced prior to the date of the release(s), any claims relating to matters actively concealed by Executive, any claims to contribution from Executive to which Employer or its Subsidiaries are entitled as a matter of law or any claims arising out of mistaken indemnification by Employer and/or any of its Subsidiaries. Except as otherwise provided in this Section 1(c) or in the Employer's employee benefit plans or as otherwise required by applicable law, Executive shall not be entitled to any other salary, compensation or benefits after termination of Executive's employment with Employer.

2. Confidential Information.

(a) Obligation to Maintain Confidentiality. Executive acknowledges that the information, observations and data (including trade secrets) obtained by him during the course of his performance under this Agreement concerning the business or affairs of Employer, its Subsidiaries and Affiliates ("Confidential Information") are the property of Employer, its Subsidiaries and Affiliates, as applicable, including information concerning acquisition opportunities in or reasonably related to Employer's, its Subsidiaries' and/or Affiliates' business or industry of which Executive becomes aware during the Employment Period. Therefore, Executive agrees that he will not disclose to any unauthorized Person or use for his own account (for his commercial advantage or otherwise) any Confidential Information without the Board's written consent, unless and to the extent that the Confidential Information, (i) becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions to act, (ii) was known to Executive prior to Executive's employment with Employer or any of its Subsidiaries or Affiliates or (iii) is required to be disclosed pursuant to any applicable law, court order or other governmental decree. Executive shall deliver to Employer at a Separation, or at any other time Employer may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Employer, its Subsidiaries and Affiliates (including, without limitation, all acquisition prospects, lists and contact information) which he may then possess or have under his control.

(b) Ownership of Property. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, processes, programs, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) that relate to Employer's, its Subsidiaries' and/or Affiliates' actual or anticipated business, research and development, or existing or future products or services and that are conceived, developed, contributed to, made, or reduced to practice by Executive (either solely or jointly with others) while employed by the Employer, its Subsidiaries and/or Affiliates (including any of the foregoing that constitutes any proprietary information or records) ("Work Product") belong to the Employer or such Subsidiary or Affiliate and Executive hereby assigns, and agrees to assign, all of the above Work Product to Employer or to such Subsidiary or Affiliate. Any copyrightable work prepared in whole or in part by Executive in the course of his work for any of the foregoing entities shall be deemed a "work made for hire" under the copyright laws, and Employer or such Subsidiary or Affiliate shall own all rights therein. To the extent that any such copyrightable work is not a "work made for hire," Executive hereby assigns and agrees to assign to Employer or such Subsidiary or Affiliate all right, title, and interest, including without limitation, copyright in and to such copyrightable work. Executive shall

promptly disclose such Work Product and copyrightable work to the Board and perform all actions reasonably requested by the Board (whether during or after the Employment Period) to establish and confirm the Employer's or such Subsidiary's or Affiliate's ownership (including, without limitation, assignments, consents, powers of attorney, and other instruments).

(c) Third Party Information. Executive understands that Employer, its Subsidiaries and Affiliates will receive from third parties confidential or proprietary information ("Third Party Information"), subject to a duty on Employer's, its Subsidiaries' and Affiliates' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the Employment Period and thereafter, and without in any way limiting the provisions of Section 2(a) above, Executive will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel and consultants of Employer, its Subsidiaries and Affiliates who need to know such information in connection with their work for Employer or any of its Subsidiaries and Affiliates) or use, except in connection with his work for Employer or any of its Subsidiaries and Affiliates, Third Party Information unless expressly authorized by a member of the Board (other than himself if Executive is on the Board) in writing.

(d) Use of Information of Prior Employers. During the Employment Period and thereafter, Executive will not improperly use or disclose any confidential information or trade secrets, if any, of any former employers or any other Person to whom Executive has an obligation of confidentiality, and will not bring onto the premises of Employer or any of its Subsidiaries or Affiliates any unpublished documents or any property belonging to any former employer or any other Person to whom Executive has an obligation of confidentiality unless consented to in writing by the former employer or Person. Executive will use in the performance of his duties only information which is (i) generally known and used by persons with training and experience comparable to Executive's and which is (x) common knowledge in the industry or (y) otherwise legally in the public domain, (ii) otherwise provided or developed by Employer or any of its Subsidiaries or Affiliates or (iii) in the case of materials, property or information belonging to any former employer or other Person to whom Executive has an obligation of confidentiality, approved for such use in writing by such former employer or Person.

3. Non-competition and No Solicitation. Executive acknowledges that (i) the course of his employment with Employer he will become familiar with Employer's, its Subsidiaries' and Affiliates' trade secrets and with other confidential information concerning the Employer, its Subsidiaries and Affiliates; and (ii) his services will be of special, unique and extraordinary value to Employer and such Subsidiaries. Therefore, Executive agrees that:

(a) Non-competition. During the Employment Period and also during the period commencing on the date of termination of the Employment Period and

ending on the first anniversary of the date of termination, he shall not without the express written consent of Employer, anywhere in the United States, directly or indirectly, own, manage, control, participate in, consult with, render services for, or in any manner engage in any business (i) which competes with (a) OTC wart treatment products (including, without limitation, cryogen-based products), (b) devices for treatment or management of bruxism, (c) OTC sore throat treatment products (including, without limitation, liquids, lozenges and strips), (d) inter-proximal devices, (e) copper scrubbers, (f) powdered and liquid cleansers, (g) pediatric OTC medicinal products, or (h) any other business acquired by Employer and its Subsidiaries after the date hereof which represents 5% or more of the consolidated revenues or EBITDA of Employer and its Subsidiaries for the trailing 12 months ending on the last day of the last completed calendar month immediately preceding the date of termination of the Employment Period, or (ii) in which Employer and/or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by such Person (x) within one year prior to the Separation and (y) during the Severance Period, if any. Nothing herein shall prohibit Executive from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Executive has no active participation in the business of such corporation

(b) No solicitation. During the Employment Period and also during the period commencing on the date of termination of the Employment Period and ending on the first anniversary of the date of termination, Executive shall not directly or indirectly through another entity (i) induce or attempt to induce any employee of Employer or its Subsidiaries to leave the employ of Employer or its Subsidiaries, or in any way interfere with the relationship between Employer or its Subsidiaries and any employee thereof, (ii) hire any person who was an employee of Employer or its Subsidiaries within 180 days after such person ceased to be an employee of Employer or its Subsidiaries (provided, however, that such restriction shall not apply for a particular employee if Employer or its Subsidiaries have provided written consent to such hire, which consent, in the case of any person who was not a key employee of Employer or its Subsidiaries shall not be unreasonably withheld), (iii) induce or attempt to induce any customer, supplier, licensee or other business relation of Employer or its Subsidiaries to cease doing business with Employer or its Subsidiaries or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and Employer or its Subsidiaries or (iv) directly or indirectly acquire or attempt to acquire an interest in any business relating to the business of Employer or its Subsidiaries and with which Employer or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by Employer or its Subsidiaries in the two year period immediately preceding a Separation.

(c) Enforcement. If, at the time of enforcement of Section 2 or this Section 3, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration,

scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum duration, scope and area permitted by law. Because Executive's services are unique and because Executive has access to Confidential Information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Agreement. Therefore, in the event of a breach or threatened breach of this Agreement, Employer, its Subsidiaries or their successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security).

(d) Additional Acknowledgments. Executive acknowledges that the provisions of this Section 3 are in consideration of: (i) employment with the Employer, (ii) the prospective issuance of securities by Employer pursuant to the Long-Term Equity Incentive Plan and (iii) additional good and valuable consideration as set forth in this Agreement. In addition, Executive agrees and acknowledges that the restrictions contained in Section 2 and this Section 3 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive acknowledges (i) that the business of Employer and its Subsidiaries will be conducted throughout the United States, (ii) notwithstanding the state of incorporation or principal office of Employer or any of its Subsidiaries, or any of their respective executives or employees (including the Executive), it is expected that Employer and its Subsidiaries will have business activities and have valuable business relationships within its industry throughout the United States and (iii) as part of his responsibilities, Executive will be traveling throughout the United States in furtherance of Employer's and/or its Subsidiaries' business and their relationships. Executive agrees and acknowledges that the potential harm to Employer and its Subsidiaries of the non-enforcement of Section 2 and this Section 3 outweighs any potential harm to Executive of their enforcement by injunction or otherwise. Executive acknowledges that he has carefully read this Agreement and has given careful consideration to the restraints imposed upon Executive by this Agreement, and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of Employer and its Subsidiaries now existing or to be developed in the future. Executive expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area.

4. Miscellaneous.

(a) Survival. The provisions of Sections 1(c), 2, 3 and 4 shall survive the termination of this Agreement.

(b) Entire Agreement. This Agreement sets forth the entire understanding of the parties and merges and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties pertaining to the subject matter hereof.

(c) Modification. This Agreement may not be modified or terminated orally, and no modification or waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

(d) Waiver. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations hereof shall not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter to enforce any provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

(e) Successors and Assigns. Neither party shall have the right to assign this Agreement, or any rights or obligations hereunder, without the consent of the other party; provided, however, that upon the sale of all or substantially all of the assets, business and goodwill of Employer to another company, or upon the merger or consolidation of Employer with another company, this Agreement shall inure to the benefit of, and be binding upon, both Executive and the company purchasing such assets, business and goodwill, or surviving such merger or consolidation, as the case may be, in the same manner and to the same extent as though such other company were Employer; and provided, further, that Employer shall have the right to assign this Agreement to any Affiliate or Subsidiary of Employer. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their legal representatives, heirs, successors and permitted assigns.

(f) Communications. All notices or other communications required or permitted hereunder will be in writing and will be deemed given or delivered when delivered personally, by registered or certified mail or by overnight courier (fare prepaid) addressed as follows:

(i) To Employer: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Chief Executive Officer

(ii) With a copy to: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Legal Department

(iii) To the Employee: Lieven Nuyttens
157 W. 80th Street, Apt. 2A
New York, New York 10024

or to such address as a party hereto may indicate by a notice delivered to the other party. Notice will be deemed received the same day when delivered personally, five (5) days after mailing when sent by registered or certified mail, and the next business day when delivered by overnight courier. Any party hereto may change its address to which all communications and notices may be sent by addressing notices of such change in the manner provided.

(g) Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity and enforceability of the other provisions of this Agreement and the provision held to be invalid or unenforceable shall be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

(h) Governing Law. This Agreement will be governed by, construed and enforced in accordance with the laws of the State of New York, without giving effect to its conflicts of law provisions.

(i) Jurisdiction; Venue. THIS AGREEMENT SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE STATE OR FEDERAL COURTS SITTING IN WESTCHESTER COUNTY, NEW YORK. THE PARTIES TO THIS AGREEMENT IRREVOCABLY AND EXPRESSLY AGREE TO SUBMIT TO THE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR COURTS OF THE STATE OF NEW YORK IN WESTCHESTER COUNTY, NEW YORK FOR THE PURPOSE OF RESOLVING ANY DISPUTES AMONG THE PARTIES RELATING TO THIS AGREEMENT. THE PARTIES IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH THEY MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR ANY JUDGMENT ENTERED BY ANY COURT IN RESPECT HEREOF, BROUGHT IN WESTCHESTER COUNTY, NEW YORK, AND FURTHER IRREVOCABLY WAIVE ANY CLAIM THAT ANY SUIT, ACTION OR PROCEEDING BROUGHT IN WESTCHESTER COUNTY, NEW YORK HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE PARTIES HERETO AGREE TO SERVICE OF PROCESS BY CERTIFIED OR REGISTERED UNITED STATES MAIL, POSTAGE PREPAID, ADDRESSED TO THE PARTY IN QUESTION.

(j) Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE

LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT.

(k) No Third-Party Beneficiaries. Each of the provisions of this Agreement is for the sole and exclusive benefit of the parties hereto and shall not be deemed for the benefit of any other person or entity.

(l) Code Section 409A. The parties to this Agreement intend that the Agreement complies with Section 409A of the Internal Revenue Code, where applicable, and this Agreement shall be interpreted in a manner consistent with that intention. To the extent not otherwise provided by this Agreement, and solely to the extent required by Section 409A of the Code, no payment or other distribution required to be made to the Executive hereunder (including any payment of cash, any transfer of property and any provision of taxable benefits) as a result of his termination of employment with Employer shall be made earlier than the date that is six (6) months and one day following the date on which the Executive separates from service with Employer any and its affiliates (within the meaning of Section 409A of the Code).

(m) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

PRESTIGE BRANDS HOLDINGS, INC.

By: /s/Mark Pettie
Name: Mark Pettie
Title: Chairman and Chief Executive Officer

/s/ Lieven Nuyttens
Lieven Nuyttens

DEFINITIONS

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "controlling" have meanings correlative thereto.

"Cause" is defined as (i) your willful and continued failure to substantially perform your duties with Employer (other than any such failure resulting from your incapacity due to physical or mental illness) that has not been cured within 10 days after a written demand for substantial performance is delivered to you by the Board, which demand specifically identifies the manner in which the Board believes that you have not substantially performed your duties, (ii) the willful engaging by you in conduct which is demonstrably and materially injurious to Employer or its Affiliates, monetarily or otherwise, (iii) your conviction (or plea of nolo contendere) for any felony or any other crime involving dishonesty, fraud or moral turpitude, (iv) your breach of fiduciary duty to Employer or its Affiliates, (v) any violation of Employer's policies relating to compliance with applicable laws which have a material adverse effect on Employer or its Affiliates or (vi) your breach of any restrictive covenant. For purposes of clauses (i) and (ii) of this definition, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your act, or failure to act, was in the best interest of Employer.

"Good Reason" is defined as, without your consent, (i) the assignment to you of any duties inconsistent with your status as the Senior Vice President, Operations or a substantial adverse alteration in the nature or status of the your responsibilities, unless Employer has cured such events within 10 business days after the receipt of written notice thereof from you, (ii) a reduction in your annual base salary or target annual bonus percentage, except for across-the-board salary reductions similarly affecting all senior executives of Employer, or (iii) the relocation of Employer's headquarters by more than 30 miles.

"Person" means any person or entity, whether an individual, trustee, corporation, limited liability company, partnership, trust, unincorporated organization, business association, firm, joint venture, governmental authority or similar entity.

"Subsidiary" of any specified Person shall mean any corporation fifty percent (50%) or more of the outstanding capital stock of which, or any partnership, joint venture, limited liability company or other entity fifty percent (50%) or more of the ownership interests of which, is directly or indirectly owned or controlled by such

specified Person, or any such corporation, partnership, joint venture, limited liability company, or other entity which may otherwise be controlled, directly or indirectly, by such Person.

Exhibit 10.15

Executive Employment Agreement

1. Employment. Prestige Brands Holdings, Inc. ("Employer") agrees to employ Eric S. Klee ("Executive") and Executive accepts such employment for the period beginning as of March 31, 2010 and ending upon his termination pursuant to Section 1(c) hereof (the "Employment Period") subject only to the approval of the Prestige Brands Holdings, Inc. Board of Directors (the "Board").

(a) Position and Duties.

(i) During the Employment Period, Executive shall serve as General Counsel and Secretary of Employer and shall have the normal duties, responsibilities and authority implied by such position, subject to the power of the Chief Executive Officer of Employer and the Board to expand or limit such duties, responsibilities and authority and to override such actions.

(ii) Executive shall report to the Chief Executive Officer of Employer, and Executive shall devote his best efforts and his full business time and attention to the business and affairs of Employer and its Subsidiaries (as defined below).

(b) Salary, Bonus and Benefits. During the Employment Period, Employer will pay Executive a base salary of $250,000 per annum (the "Annual Base Salary"), paid twice monthly, in accordance with Employer's normal payroll cycle and procedures. In addition, in fiscal years 2011 and beyond, the Executive shall be eligible for and participate in the Annual Incentive Compensation Plan (the "Annual Bonus") under which the Executive shall be eligible for an annual Target Bonus payment of 40% of Annual Base Salary. Executive shall be eligible to participate in the Long-Term Equity Incentive Plan of Employer (the "Plan") and all equity grants thereunder shall automatically vest upon a Change in Control (as defined in the Plan). During the Employment Period, Executive will be entitled to such other benefits approved by the Board and made available to the senior management of Employer and its Subsidiaries, which shall include vacation time (four weeks per year), flexible spending account, 401(k) Plan (currently 65% match of up to 6% of salary, subject to IRS cap and periodic potential adjustment by the Board) as well as medical, dental, vision, life, long term care and disability insurance. The Board, on a basis consistent with past practice, shall review the Annual Base Salary of Executive and may increase the Annual Base Salary by such amount as the Board, in its sole discretion, shall deem appropriate. The term "Annual Base Salary" as used in this Agreement shall refer to the Annual Base Salary as it may be so increased.

(c) Termination. The Employment Period will continue until (i) Executive's death, disability or resignation from employment with Employer and its Subsidiaries or (ii) Employer and its Subsidiaries decide to terminate Executive's employment with or without Cause (as defined below). If (A) Executive's employment is terminated without Cause pursuant to clause (ii) above

or (B) Executive resigns from employment with Employer and its Subsidiaries for Good Reason, then, subject to Executive's execution and delivery of a Release, starting on the sixtieth (60th) day following Executive's termination of employment, Employer shall pay to Executive, in equal installments ratably over twelve (12) months in accordance with the Employer's normal payroll cycle and procedures, an aggregate amount equal to (I) his Annual Base Salary, plus (II) an amount equal to the average Annual Bonus paid or payable to Executive by Employer for the last three completed fiscal years prior to the date of termination. In addition, if Executive is entitled on the date of termination to coverage under the medical and prescription portions of the Welfare Plans, such coverage shall continue for Executive and Executive's covered dependents for a period ending on the first anniversary of the date of termination at the active employee cost payable by Executive with respect to those costs paid by Executive prior to the date of termination; provided, that this coverage will count towards the depletion of any continued health care coverage rights that Executive and Executive's dependents may have pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"); provided further, that Executive's or Executive's covered dependents' rights to continued health care coverage pursuant to this Section 1(c) shall terminate at the time Executive or Executive's covered dependents become covered, as described in COBRA, under another group health plan, and shall also terminate as of the date Employer ceases to provide coverage to its senior executives generally under any such Welfare Plan. Notwithstanding the foregoing, (I) Executive shall not be entitled to receive any payments or benefits pursuant to this Section 1(c) unless Executive has executed and delivered to Employer a general release in form and substance satisfactory to Employer and (II) Executive shall be entitled to receive such payments and benefits only so long as Executive has not breached the provisions of Section 2 or Section 3 hereof. The release described in the foregoing sentence shall not require Executive to release any claims for any vested employee benefits, workers compensation benefits covered by insurance or self-insurance, claims to indemnification to which Executive may be entitled under Employer's or its Subsidiaries' certificate(s) of incorporation, by-laws, any indemnification agreement or under any of Employer's or its Subsidiaries' directors or officers insurance policy(ies) or applicable law, or equity claims to contribution from Employer or its Subsidiaries or any other Person to which Executive is entitled as a matter of law in respect of any claim made against Executive for an alleged act or omission in Executive's official capacity and within the scope of Executive's duties as an officer, director or employee of Employer or its Subsidiaries. Not later than eighteen (18) months following the termination of Executive's employment, Employer and its Subsidiaries for which the Executive has acted in the capacity of a senior manager, shall sign and deliver to Executive a release of claims that Employer and its Subsidiaries have against Executive; provided that, such release shall not release any claims that Employer and/or its Subsidiaries commenced prior to the date of the release(s), any claims relating to matters actively concealed by Executive, any claims to contribution from Executive to which Employer or its Subsidiaries are entitled as a matter of law or any claims

arising out of mistaken indemnification by Employer and/or any of its Subsidiaries. Except as otherwise provided in this Section 1(c) or in the Employer's employee benefit plans or as otherwise required by applicable law, Executive shall not be entitled to any other salary, compensation or benefits after termination of Executive's employment with Employer.

2. Confidential Information.

(a) Obligation to Maintain Confidentiality. Executive acknowledges that the information, observations and data (including trade secrets) obtained by him during the course of his performance under this Agreement concerning the business or affairs of Employer, its Subsidiaries and Affiliates ("Confidential Information") are the property of Employer, its Subsidiaries and Affiliates, as applicable, including information concerning acquisition opportunities in or reasonably related to Employer's, its Subsidiaries' and/or Affiliates' business or industry of which Executive becomes aware during the Employment Period. Therefore, Executive agrees that he will not disclose to any unauthorized Person or use for his own account (for his commercial advantage or otherwise) any Confidential Information without the Board's written consent, unless and to the extent that the Confidential Information, (i) becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions to act, (ii) was known to Executive prior to Executive's employment with Employer or any of its Subsidiaries or Affiliates or (iii) is required to be disclosed pursuant to any applicable law, court order or other governmental decree. Executive shall deliver to Employer on the date of termination, or at any other time Employer may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Employer, its Subsidiaries and Affiliates (including, without limitation, all acquisition prospects, lists and contact information) which he may then possess or have under his control.

(b) Ownership of Property. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, processes, programs, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) that relate to Employer's, its Subsidiaries' and/or Affiliates' actual or anticipated business, research and development, or existing or future products or services and that are conceived, developed, contributed to, made, or reduced to practice by Executive (either solely or jointly with others) while employed by the Employer, its Subsidiaries and/or Affiliates (including any of the foregoing that constitutes any proprietary information or records) ("Work Product") belong to the Employer or such Subsidiary or Affiliate and Executive hereby assigns, and agrees to assign, all of the above Work Product to Employer or to such Subsidiary or Affiliate. Any copyrightable work prepared in whole or in part by Executive in

the course of his work for any of the foregoing entities shall be deemed a "work made for hire" under the copyright laws, and Employer or such Subsidiary or Affiliate shall own all rights therein. To the extent that any such copyrightable work is not a "work made for hire," Executive hereby assigns and agrees to assign to Employer or such Subsidiary or Affiliate all right, title, and interest, including without limitation, copyright in and to such copyrightable work. Executive shall promptly disclose such Work Product and copyrightable work to the Board and perform all actions reasonably requested by the Board (whether during or after the Employment Period) to establish and confirm the Employer's or such Subsidiary's or Affiliate's ownership (including, without limitation, assignments, consents, powers of attorney, and other instruments).

(c) Third Party Information. Executive understands that Employer, its Subsidiaries and Affiliates will receive from third parties confidential or proprietary information ("Third Party Information"), subject to a duty on Employer's, its Subsidiaries' and Affiliates' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the Employment Period and thereafter, and without in any way limiting the provisions of Section 2(a) above, Executive will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel and consultants of Employer, its Subsidiaries and Affiliates who need to know such information in connection with their work for Employer or any of its Subsidiaries and Affiliates) or use, except in connection with his work for Employer or any of its Subsidiaries and Affiliates, Third Party Information unless expressly authorized by a member of the Board (other than himself if Executive is on the Board) in writing.

(d) Use of Information of Prior Employers. During the Employment Period and thereafter, Executive will not improperly use or disclose any confidential information or trade secrets, if any, of any former employers or any other Person to whom Executive has an obligation of confidentiality, and will not bring onto the premises of Employer or any of its Subsidiaries or Affiliates any unpublished documents or any property belonging to any former employer or any other Person to whom Executive has an obligation of confidentiality unless consented to in writing by the former employer or Person. Executive will use in the performance of his duties only information which is (i) generally known and used by persons with training and experience comparable to Executive's and which is (x) common knowledge in the industry or (y) otherwise legally in the public domain, (ii) otherwise provided or developed by Employer or any of its Subsidiaries or Affiliates or (iii) in the case of materials, property or information belonging to any former employer or other Person to whom Executive has an obligation of confidentiality, approved for such use in writing by such former employer or Person.

3. Non-competition and No Solicitation. Executive acknowledges that (i) the course of his employment with Employer he will become familiar with Employer's, its Subsidiaries' and Affiliates' trade secrets and with other confidential information

concerning the Employer, its Subsidiaries and Affiliates; and (ii) his services will be of special, unique and extraordinary value to Employer and such Subsidiaries. Therefore, Executive agrees that:

(a) Non-competition. During the Employment Period and also during the period commencing on the date of termination of the Employment Period and ending on the first anniversary of the date of termination (the "Severance Period"), he shall not without the express written consent of Employer, anywhere in the United States, directly or indirectly, own, manage, control, participate in, consult with, render services for, or in any manner engage in any business (i) which competes with (a) OTC wart or skin tag treatment products (including, without limitation, salicylic acid or cryogen-based products), (b) dental devices for treatment or management of bruxism, (c) OTC sore throat treatment products (including, without limitation, liquids, lozenges and strips), (d) inter-proximal devices, (e) powdered and liquid cleansers, (f) pediatric OTC medicinal and non-medicinal products, (g) OTC eye care products, or (h) any other business acquired by Employer and its Subsidiaries after the date hereof which represents 5% or more of the consolidated revenues or EBITDA of Employer and its Subsidiaries for the trailing 12 months ending on the last day of the last completed calendar month immediately preceding the date of termination of the Employment Period, or (ii) in which Employer and/or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by such Person (x) within one year prior to the date of termination and (y) during the Severance Period, if any. Nothing herein shall prohibit Executive from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Executive has no active participation in the business of such corporation

(b) No solicitation. During the Employment Period and also during the Severance Period, Executive shall not directly or indirectly through another entity (i) induce or attempt to induce any employee of Employer or its Subsidiaries to leave the employ of Employer or its Subsidiaries, or in any way interfere with the relationship between Employer or its Subsidiaries and any employee thereof, (ii) hire any person who was an employee of Employer or its Subsidiaries within 180 days after such person ceased to be an employee of Employer or its Subsidiaries; provided, however, that such restriction shall not apply for a particular employee if Employer or its Subsidiaries have provided written consent to such hire, which consent, in the case of any person who was not a key employee of Employer or its Subsidiaries shall not be unreasonably withheld, (iii) induce or attempt to induce any customer, supplier, licensee or other business relation of Employer or its Subsidiaries to cease doing business with Employer or its Subsidiaries or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and Employer or its Subsidiaries or (iv) directly or indirectly acquire or attempt to acquire an interest in any business relating to the business of Employer or its Subsidiaries and with which Employer or its Subsidiaries have conducted discussions or have requested and received information relating to the

acquisition of such business by Employer or its Subsidiaries in the two year period immediately preceding the date of termination.

(c) Enforcement. If, at the time of enforcement of Section 2 or this Section 3, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum duration, scope and area permitted by law. Because Executive's services are unique and because Executive has access to Confidential Information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Agreement. Therefore, in the event of a breach or threatened breach of this Agreement, Employer, its Subsidiaries or their successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security).

(d) Additional Acknowledgments. Executive acknowledges that the provisions of this Section 3 are in consideration of: (i) employment with the Employer, (ii) the prospective issuance of securities by Employer pursuant to the Plan and (iii) additional good and valuable consideration as set forth in this Agreement. In addition, Executive agrees and acknowledges that the restrictions contained in Section 2 and this Section 3 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive acknowledges (i) that the business of Employer and its Subsidiaries will be conducted throughout the United States, (ii) notwithstanding the state of incorporation or principal office of Employer or any of its Subsidiaries, or any of their respective executives or employees (including the Executive), it is expected that Employer and its Subsidiaries will have business activities and have valuable business relationships within its industry throughout the United States and (iii) as part of his responsibilities, Executive will be traveling throughout the United States in furtherance of Employer's and/or its Subsidiaries' business and their relationships. Executive agrees and acknowledges that the potential harm to Employer and its Subsidiaries of the non-enforcement of Section 2 and this Section 3 outweighs any potential harm to Executive of their enforcement by injunction or otherwise. Executive acknowledges that he has carefully read this Agreement and has given careful consideration to the restraints imposed upon Executive by this Agreement, and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of Employer and its Subsidiaries now existing or to be developed in the future. Executive expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area.

4. Miscellaneous.

(a) Survival. The provisions of Sections 1(c), 2, 3 and 4 shall survive the termination of this Agreement.

(b) Entire Agreement and Merger. This Agreement sets forth the entire understanding of the parties and merges and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties pertaining to the subject matter hereof.

(c) Modification. This Agreement may not be modified or terminated orally, and no modification or waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

(d) Waiver. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations hereof shall not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter to enforce any provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

(e) Successors and Assigns. Neither party shall have the right to assign this Agreement, or any rights or obligations hereunder, without the consent of the other party; provided, however, that upon the sale of all or substantially all of the assets, business and goodwill of Employer to another company, or upon the merger or consolidation of Employer with another company, this Agreement shall inure to the benefit of, and be binding upon, both Executive and the company purchasing such assets, business and goodwill, or surviving such merger or consolidation, as the case may be, in the same manner and to the same extent as though such other company were Employer; and provided, further, that Employer shall have the right to assign this Agreement to any Affiliate or Subsidiary of Employer. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their legal representatives, heirs, successors and permitted assigns.

(f) Communications. All notices or other communications required or permitted hereunder will be in writing and will be deemed given or delivered when delivered personally, by registered or certified mail or by overnight courier (fare prepaid) addressed as follows:

(i) To Employer: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Chief Executive Officer

(ii) With a copy to: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Legal Department

(iii) To the Employee: Eric S. Klee
44 Travis Road
Baldwin Place, New York 10505

or to such address as a party hereto may indicate by a notice delivered to the other party. Notice will be deemed received the same day when delivered personally, five (5) days after mailing when sent by registered or certified mail, and the next business day when delivered by overnight courier. Any party hereto may change its address to which all communications and notices may be sent by addressing notices of such change in the manner provided.

(g) Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity and enforceability of the other provisions of this Agreement and the provision held to be invalid or unenforceable shall be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

(h) Governing Law. This Agreement will be governed by, construed and enforced in accordance with the laws of the State of New York, without giving effect to its conflicts of law provisions.

(i) Arbitration. (a) Except as provided in subsection (b) of this Section 4(i), the following provisions shall apply to disputes between Employer and Executive arising out of or related to either: (i) this Agreement (including any claim that any part of this Agreement is invalid, illegal or otherwise void or voidable), or (ii) the employment relationship that exists between Employer and Executive:

(i) The parties shall first use their reasonable best efforts to discuss and negotiate a resolution of the dispute.

(ii) If efforts to negotiate a resolution do not succeed within 5 business days after a written request for negotiation has been made, the dispute shall be resolved timely and exclusively by final and binding arbitration in New York County or Westchester County, New York pursuant to the American Arbitration Association (“AAA”) National Rules for the Resolution of Employment Disputes (the “AAA Rules”). Arbitration must be demanded within ten (10) calendar days after the expiration of the five (5) day period referred to above. The arbitration opinion and award shall

be final and binding on the Employer and the Executive and shall be enforceable by any court sitting within New York County or Westchester County, New York. Employer and Executive shall share equally all costs of arbitration excepting their own attorney's fees unless and to the extent ordered by the arbitrator(s) to pay the attorneys' fees of the prevailing party.

(iii) The parties recognize that this Section 4(i) means that certain claims will be reviewed and decided only before an impartial arbitrator or panel of arbitrators instead of before a court of law and/or a jury, but desire the many benefits of the arbitration process over court proceedings, including speed of resolution, lower costs and fees, and more flexible rules of evidence. The arbitration or arbitrators duly selected pursuant to the AAA's Rules shall have the same power and authority to order any remedy for violation of a statute, regulation, or ordinance as a court would have; and shall have the same power to order discovery as a federal district court has under the Federal Rules of Civil Procedure.

(b) The provisions of this Section 4(i) shall not apply to any action by the Employer seeking to enforce its rights arising out of or related to the provisions of Sections 2 and 3 of this Agreement.

(c) This Section 4(i) is intended by the Employer and the Executive to be enforceable under the Federal Arbitration Act ("FAA"). Should it be determined by any court that the FAA does not apply, then this Section 4(i) shall be enforceable under the applicable arbitration statutes of the State of Delaware.

(j) No Third-Party Beneficiaries. Each of the provisions of this Agreement is for the sole and exclusive benefit of the parties hereto and shall not be deemed for the benefit of any other person or entity.

(k) Section 409A of the Internal Revenue Code. (a) Notwithstanding any provisions of this Agreement to the contrary, if the Executive is considered a Specified Executive (as defined below) at termination of employment other than on account of death or Disability, under such procedures as established by the Employer in accordance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), benefit distributions, other than those that are deemed "separation pay" under the Treas. Reg. §1.409A-1(b)(9), that are made upon termination of employment may not commence earlier than six (6) months after the date of termination. Therefore, in the event this provision is applicable to the Executive, any distribution which would otherwise be paid to the Executive within the first six months following termination shall be accumulated and paid to the Executive in a lump sum on the first day of the seventh month following termination. All subsequent distributions shall be paid in the manner specified.

"Specified Executive" means a key employee (as defined in Section 416(i) of the Code without regard to paragraph 5 thereof) of the Employer if any stock of the Employer is publicly traded on an established securities market or otherwise.

(b) With respect to the payment of all benefits under the Agreement, including separation pay and deferred compensation, whether a "termination of employment" takes place is determined based on the facts and circumstances surrounding the termination of the Executive's employment and whether the Employer and the Executive intended for the Executive to provide significant services for the Employer following such termination. A change in the Executive's employment status will not be considered a termination of employment if:

(i) the Executive continues to provide services as an employee of the Employer at an annual rate that is twenty percent (20%) or more of the services rendered, on average, during the immediately preceding three full calendar years of employment (or, if employed less than three years, such lesser period) and the annual remuneration for such services is twenty percent (20%) or more of the average annual remuneration earned during the final three full calendar years of employment (or, if less, such lesser period), or

(ii) the Executive continues to provide services to the Employer in a capacity other than as an employee of the Employer at an annual rate that is fifty percent (50%) or more of the services rendered, on average, during the immediately preceding three full calendar years of employment (or if employed less than three years, such lesser period) and the annual remuneration for such services is fifty percent (50%) or more of the average annual remuneration earned during the final three full calendar years of employment (or if less, such lesser period).

For purposes of applying the provisions of Section 409A of the Code, a reference to the Employer shall also be deemed a reference to any affiliate thereof within the contemplation of Sections 414(b) and 414(c) of the Code. For purposes of this Agreement, the definition of "termination of employment" shall apply to all uses of such term, whether capitalized or not.

(l) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

PRESTIGE BRANDS HOLDINGS, INC.

By: /s/ Matthew M. Mannelly
Name: Matthew M. Mannelly
Title: Chief Executive Officer

By: /s/ Eric S. Klee
Name: Eric S. Klee

DEFINITIONS

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "controlling" have meanings correlative thereto.

"Cause" is defined as (i) your willful and continued failure to substantially perform your duties with Employer (other than any such failure resulting from your incapacity due to physical or mental illness) that has not been cured within 10 days after a written demand for substantial performance is delivered to you by the Board, which demand specifically identifies the manner in which the Board believes that you have not substantially performed your duties, (ii) the willful engaging by you in conduct which is demonstrably and materially injurious to Employer or its Affiliates, monetarily or otherwise, (iii) your conviction (or plea of nolo contendere) for any felony or any other crime involving dishonesty, fraud or moral turpitude, (iv) your breach of fiduciary duty to Employer or its Affiliates, (v) any violation of Employer's policies relating to compliance with applicable laws which have a material adverse effect on Employer or its Affiliates or (vi) your breach of any restrictive covenant. For purposes of clauses (i) and (ii) of this definition, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your act, or failure to act, was in the best interest of Employer.

"Disability" means the Executive: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees or directors of the Employer. Medical determination of Disability may be made by either the Social Security Administration or by the provider of an accident or health plan covering employees or directors of the Employer provided that the definition of "disability" applied under such disability insurance program complies with the requirements of the preceding sentence. Upon the request of the plan administrator, the Executive must submit proof to the plan administrator of the Social Security Administration's or the provider's determination. For purposes of this Agreement the definition of "Disability" shall apply to all uses of such term, whether capitalized or not.

"Good Reason" means that the Executive terminated his employment with the Employer because, within the twelve (12) month period preceding the Executive's termination, one or more of the following conditions arose and the Executive notified the Employer of such condition within 90 days of its occurrence and the Employer did not remedy such condition within 30 days:

(i) a material diminution in the Executive's base salary as in effect on the date hereof or as the same may be increased from time to time;

(ii) a material diminution in the Executive's authority, duties, or responsibilities;

(iii) the relocation of the Employer's headquarters outside a thirty-mile radius of Irvington, New York or the Employer's requiring the Executive to be based at any place other than a location within a thirty-mile radius of Irvington, New York, except for reasonably required travel on the Employer's business; or

(iv) any other action or inaction that constitutes a material breach by the Employer of this Agreement.

"Person" means any person or entity, whether an individual, trustee, corporation, limited liability company, partnership, trust, unincorporated organization, business association, firm, joint venture, governmental authority or similar entity.

"Subsidiary" of any specified Person shall mean any corporation fifty percent (50%) or more of the outstanding capital stock of which, or any partnership, joint venture, limited liability company or other entity fifty percent (50%) or more of the ownership interests of which, is directly or indirectly owned or controlled by such specified Person, or any such corporation, partnership, joint venture, limited liability company, or other entity which may otherwise be controlled, directly or indirectly, by such Person.

Exhibit 10.16

Executive Employment Agreement

1. Employment. Prestige Brands Holdings, Inc. ("Employer") agrees to employ Timothy Connors ("Executive") and Executive accepts such employment for the period beginning as of April 19, 2010 and ending upon his separation pursuant to Section 1(c) hereof (the "Employment Period") subject only to the approval of the Prestige Brands Holdings, Inc. Board of Directors.

(a) Position and Duties.

(i) During the Employment Period, Executive shall serve as Chief Marketing Officer of Employer and shall have the normal duties, responsibilities and authority implied by such position, subject to the power of the Chief Executive Officer of Employer and the Board to expand or limit such duties, responsibilities and authority and to override such actions.

(ii) Executive shall report to the Chief Executive Officer of Employer, and Executive shall devote his best efforts and his full business time and attention to the business and affairs of Employer and its Subsidiaries (as defined below).

(b) Salary, Bonus and Benefits. During the Employment Period, Employer will pay Executive a base salary of $300,000 per annum (the "Annual Base Salary"), paid twice monthly, in accordance with Employer's normal payroll cycle and procedures. In addition, in fiscal years 2012 and beyond, the Executive shall be eligible for and participate in the Annual Incentive Compensation Plan (the "Annual Bonus") under which the Executive shall be eligible for an annual Target Bonus payment of 50% of Annual Base Salary. During FY 2011 only, Executive shall receive as a "Guaranteed Bonus" a one time payment of $142,500 ($150,000 adjusted as 95% pro rata) upon the earlier of (i) the purchase or sale of Executive's permanent residence, or (ii) May 10, 2011. Also, during FY2011, if corporate performance exceeds 100% of Target, and if employed by Employer on March 31, 2011, Executive shall receive an additional pro rata payment representing Executive's participation in that upside (only), such payment to be made when and to the extent authorized by the Board of Directors of Employer (the "Board"). Executive shall be eligible to participate in the Long-Term Equity Incentive Plan of Employer (the "Plan") and all equity grants thereunder shall automatically vest upon a Change in Control (as defined in the Plan). On the first day of your employment Executive will receive options to purchase 100,000 shares of Common Stock of Employer at the closing price of such Common Stock on the New York Stock Exchange on that date. This option, which shall have a term of ten (10) years from the date of grant, shall vest in three equal installments over a three year period. During the Employment Period, Executive will be entitled to such other benefits approved by the Board and made available to the senior management of Employer and its Subsidiaries, which shall include vacation time (four weeks per year), flexible spending account, 401(k) Plan (currently 65% match of up to 6% of salary, subject to IRS cap and periodic

potential adjustment by the Board) as well as medical, dental, vision, life, long term care and disability insurance. The Board, on a basis consistent with past practice, shall review the Annual Base Salary of Executive and may increase the Annual Base Salary by such amount as the Board, in its sole discretion, shall deem appropriate. The term "Annual Base Salary" as used in this Agreement shall refer to the Annual Base Salary as it may be so increased.

(c) Separation. The Employment Period will continue until (i) Executive's death, disability or resignation from employment with Employer and its Subsidiaries or (ii) Employer and its Subsidiaries decide to terminate Executive's employment with or without Cause (as defined below). If (A) Executive's employment is terminated without Cause pursuant to clause (ii) above or (B) Executive resigns from employment with Employer and its Subsidiaries for Good Reason, then, subject to Executive's execution and delivery of a Release, starting on the sixtieth (60^{th}) day following Executive's termination of employment, Employer shall pay to Executive, in equal installments ratably over twelve (12) months in accordance with the Company's normal payroll cycle and procedures, an aggregate amount equal to (I) his Annual Base Salary, plus (II) an amount equal to the average Annual Bonus paid or payable to Executive by Employer for the last three completed fiscal years prior to the date of termination. In the event that Executive shall have been employed less than three years, the average shall be calculated for the number of years actually employed. In addition, if Executive is entitled on the date of termination to coverage under the medical and prescription portions of the Welfare Plans, such coverage shall continue for Executive and Executive's covered dependents for a period ending on the first anniversary of the date of termination at the active employee cost payable by Executive with respect to those costs paid by Executive prior to the date of termination; provided, that this coverage will count towards the depletion of any continued health care coverage rights that Executive and Executive's dependents may have pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"); provided further, that Executive's or Executive's covered dependents' rights to continued health care coverage pursuant to this Section 1(c) shall terminate at the time Executive or Executive's covered dependents become covered, as described in COBRA, under another group health plan, and shall also terminate as of the date Employer ceases to provide coverage to its senior executives generally under any such Welfare Plan. Notwithstanding the foregoing, (I) Executive shall not be entitled to receive any payments or benefits pursuant to this Section 1(c) unless Executive has executed and delivered to Employer a general release in form and substance satisfactory to Employer and (II) Executive shall be entitled to receive such payments and benefits only so long as Executive has not breached the provisions of Section 2 or Section 3 hereof. The release described in the foregoing sentence shall not require Executive to release any claims for any vested employee benefits, workers compensation benefits covered by insurance or self-insurance, claims to indemnification to which Executive may be entitled under Employer's or its Subsidiaries' certificate(s) of incorporation, by-laws, any indemnification agreement or under any of Employer's or its Subsidiaries' directors or officers

insurance policy(ies) or applicable law, or equity claims to contribution from Employer or its Subsidiaries or any other Person to which Executive is entitled as a matter of law in respect of any claim made against Executive for an alleged act or omission in Executive's official capacity and within the scope of Executive's duties as an officer, director or employee of Employer or its Subsidiaries. Not later than eighteen (18) months following the termination of Executive's employment, Employer and its Subsidiaries for which the Executive has acted in the capacity of a senior manager, shall sign and deliver to Executive a release of claims that Employer and its Subsidiaries have against Executive; provided that, such release shall not release any claims that Employer and/or its Subsidiaries commenced prior to the date of the release(s), any claims relating to matters actively concealed by Executive, any claims to contribution from Executive to which Employer or its Subsidiaries are entitled as a matter of law or any claims arising out of mistaken indemnification by Employer and/or any of its Subsidiaries. Except as otherwise provided in this Section 1(c) or in the Employer's employee benefit plans or as otherwise required by applicable law, Executive shall not be entitled to any other salary, compensation or benefits after termination of Executive's employment with Employer.

(d) Relocation Expense. You will be paid $125,000 in a lump sum as a moving allowance and in lieu of any and all other moving expense reimbursement. In addition, you will be reimbursed for up to three months of reasonable temporary or interim housing. Relocation expense shall be subject to 100% recoupment by the Employer in the event of a voluntary separation by Executive during the first 12 months of employment. Relocation expense shall be subject to 50% recoupment by the Employer in the event of a voluntary separation by Executive after the first 12 months but during the first 24 months of employment.

(e) Recoupment of FY2011 Guaranteed Bonus. In the event of a voluntary separation by Executive during the first 12 months of employment, the Guaranteed Bonus shall be subject to recoupment by the Employer where the recoupment shall be 1/12 of the Guaranteed Bonus for each month less than 12 full months of employment from April 19, 2010.

2. Confidential Information.

(a) Obligation to Maintain Confidentiality. Executive acknowledges that the information, observations and data (including trade secrets) obtained by him during the course of his performance under this Agreement concerning the business or affairs of Employer, its Subsidiaries and Affiliates ("Confidential Information") are the property of Employer, its Subsidiaries and Affiliates, as applicable, including information concerning acquisition opportunities in or reasonably related to Employer's, its Subsidiaries' and/or Affiliates' business or industry of which Executive becomes aware during the Employment Period. Therefore, Executive agrees that he will not disclose to any unauthorized Person or use for his own account (for his commercial advantage or otherwise) any

Confidential Information without the Board's written consent, unless and to the extent that the Confidential Information, (i) becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions to act, (ii) was known to Executive prior to Executive's employment with Employer or any of its Subsidiaries or Affiliates or (iii) is required to be disclosed pursuant to any applicable law, court order or other governmental decree. Executive shall deliver to Employer on the date of termination, or at any other time Employer may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Employer, its Subsidiaries and Affiliates (including, without limitation, all acquisition prospects, lists and contact information) which he may then possess or have under his control.

(b) Ownership of Property. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, processes, programs, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) that relate to Employer's, its Subsidiaries' and/or Affiliates' actual or anticipated business, research and development, or existing or future products or services and that are conceived, developed, contributed to, made, or reduced to practice by Executive (either solely or jointly with others) while employed by the Employer, its Subsidiaries and/or Affiliates (including any of the foregoing that constitutes any proprietary information or records) ("Work Product") belong to the Employer or such Subsidiary or Affiliate and Executive hereby assigns, and agrees to assign, all of the above Work Product to Employer or to such Subsidiary or Affiliate. Any copyrightable work prepared in whole or in part by Executive in the course of his work for any of the foregoing entities shall be deemed a "work made for hire" under the copyright laws, and Employer or such Subsidiary or Affiliate shall own all rights therein. To the extent that any such copyrightable work is not a "work made for hire," Executive hereby assigns and agrees to assign to Employer or such Subsidiary or Affiliate all right, title, and interest, including without limitation, copyright in and to such copyrightable work. Executive shall promptly disclose such Work Product and copyrightable work to the Board and perform all actions reasonably requested by the Board (whether during or after the Employment Period) to establish and confirm the Employer's or such Subsidiary's or Affiliate's ownership (including, without limitation, assignments, consents, powers of attorney, and other instruments).

(c) Third Party Information. Executive understands that Employer, its Subsidiaries and Affiliates will receive from third parties confidential or proprietary information ("Third Party Information"), subject to a duty on Employer's, its Subsidiaries' and Affiliates' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the Employment Period and thereafter, and without in any way limiting the provisions

of Section 2(a) above, Executive will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel and consultants of Employer, its Subsidiaries and Affiliates who need to know such information in connection with their work for Employer or any of its Subsidiaries and Affiliates) or use, except in connection with his work for Employer or any of its Subsidiaries and Affiliates, Third Party Information unless expressly authorized by a member of the Board (other than himself if Executive is on the Board) in writing.

(d) Use of Information of Prior Employers. During the Employment Period and thereafter, Executive will not improperly use or disclose any confidential information or trade secrets, if any, of any former employers or any other Person to whom Executive has an obligation of confidentiality, and will not bring onto the premises of Employer or any of its Subsidiaries or Affiliates any unpublished documents or any property belonging to any former employer or any other Person to whom Executive has an obligation of confidentiality unless consented to in writing by the former employer or Person. Executive will use in the performance of his duties only information which is (i) generally known and used by persons with training and experience comparable to Executive's and which is (x) common knowledge in the industry or (y) otherwise legally in the public domain, (ii) otherwise provided or developed by Employer or any of its Subsidiaries or Affiliates or (iii) in the case of materials, property or information belonging to any former employer or other Person to whom Executive has an obligation of confidentiality, approved for such use in writing by such former employer or Person.

3. Non-competition and No Solicitation. Executive acknowledges that (i) the course of his employment with Employer he will become familiar with Employer's, its Subsidiaries' and Affiliates' trade secrets and with other confidential information concerning the Employer, its Subsidiaries and Affiliates; and (ii) his services will be of special, unique and extraordinary value to Employer and such Subsidiaries. Therefore, Executive agrees that:

(a) Non-competition. During the Employment Period and also during the period commencing on the date of termination of the Employment Period and ending on the first anniversary of the date of termination (the "Severance Period"), he shall not without the express written consent of Employer, anywhere in the United States, directly or indirectly, own, manage, control, participate in, consult with, render services for, or in any manner engage in any business (i) which competes with (a) OTC wart or skin tag treatment products (including, without limitation, salicylic acid or cryogen-based products), (b) dental devices for treatment or management of bruxism, (c) OTC sore throat treatment products (including, without limitation, liquids, lozenges and strips), (d) inter-proximal devices, (e) powdered and liquid cleansers, (f) pediatric OTC medicinal and non-medicinal products, (g) OTC eye care products, or (h) any other business acquired by Employer and its Subsidiaries after the date hereof which represents 5% or more of the consolidated revenues or EBITDA of Employer and its Subsidiaries

for the trailing 12 months ending on the last day of the last completed calendar month immediately preceding the date of termination of the Employment Period, or (ii) in which Employer and/or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by such Person (x) within one year prior to the date of termination and (y) during the Severance Period, if any. Nothing herein shall prohibit Executive from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation that is publicly traded, so long as Executive has no active participation in the business of such corporation

(b) No solicitation. During the Employment Period and also during the Severance Period, Executive shall not directly or indirectly through another entity (i) induce or attempt to induce any employee of Employer or its Subsidiaries to leave the employ of Employer or its Subsidiaries, or in any way interfere with the relationship between Employer or its Subsidiaries and any employee thereof, (ii) hire any person who was an employee of Employer or its Subsidiaries within 180 days after such person ceased to be an employee of Employer or its Subsidiaries; provided, however, that such restriction shall not apply for a particular employee if Employer or its Subsidiaries have provided written consent to such hire, which consent, in the case of any person who was not a key employee of Employer or its Subsidiaries shall not be unreasonably withheld, (iii) induce or attempt to induce any customer, supplier, licensee or other business relation of Employer or its Subsidiaries to cease doing business with Employer or its Subsidiaries or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and Employer or its Subsidiaries or (iv) directly or indirectly acquire or attempt to acquire an interest in any business relating to the business of Employer or its Subsidiaries and with which Employer or its Subsidiaries have conducted discussions or have requested and received information relating to the acquisition of such business by Employer or its Subsidiaries in the two year period immediately preceding the date of termination.

(c) Enforcement. If, at the time of enforcement of Section 2 or this Section 3, a court holds that the restrictions stated herein are unreasonable under circumstances then existing, the parties hereto agree that the maximum duration, scope or geographical area reasonable under such circumstances shall be substituted for the stated period, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum duration, scope and area permitted by law. Because Executive's services are unique and because Executive has access to Confidential Information, the parties hereto agree that money damages would be an inadequate remedy for any breach of this Agreement. Therefore, in the event of a breach or threatened breach of this Agreement, Employer, its Subsidiaries or their successors or assigns may, in addition to other rights and remedies existing in their favor, apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce, or prevent any violations of, the provisions hereof (without posting a bond or other security).

(d) Additional Acknowledgments. Executive acknowledges that the provisions of this Section 3 are in consideration of: (i) employment with the Employer, (ii) the prospective issuance of securities by Employer pursuant to the Plan and (iii) additional good and valuable consideration as set forth in this Agreement. In addition, Executive agrees and acknowledges that the restrictions contained in Section 2 and this Section 3 do not preclude Executive from earning a livelihood, nor do they unreasonably impose limitations on Executive's ability to earn a living. In addition, Executive acknowledges (i) that the business of Employer and its Subsidiaries will be conducted throughout the United States, (ii) notwithstanding the state of incorporation or principal office of Employer or any of its Subsidiaries, or any of their respective executives or employees (including the Executive), it is expected that Employer and its Subsidiaries will have business activities and have valuable business relationships within its industry throughout the United States and (iii) as part of his responsibilities, Executive will be traveling throughout the United States in furtherance of Employer's and/or its Subsidiaries' business and their relationships. Executive agrees and acknowledges that the potential harm to Employer and its Subsidiaries of the non-enforcement of Section 2 and this Section 3 outweighs any potential harm to Executive of their enforcement by injunction or otherwise. Executive acknowledges that he has carefully read this Agreement and has given careful consideration to the restraints imposed upon Executive by this Agreement, and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of Employer and its Subsidiaries now existing or to be developed in the future. Executive expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area.

4. Miscellaneous.

(a) Survival. The provisions of Sections 1(c), 2, 3 and 4 shall survive the termination of this Agreement.

(b) Entire Agreement and Merger. This Agreement sets forth the entire understanding of the parties and merges and supersedes any prior or contemporaneous agreements, whether written or oral, between the parties pertaining to the subject matter hereof.

(c) Modification. This Agreement may not be modified or terminated orally, and no modification or waiver of any of the provisions hereof shall be binding unless in writing and signed by the party against whom the same is sought to be enforced.

(d) Waiver. Failure of a party to enforce one or more of the provisions of this Agreement or to require at any time performance of any of the obligations hereof shall not be construed to be a waiver of such provisions by such party nor to in any way affect the validity of this Agreement or such party's right thereafter

to enforce any provision of this Agreement, nor to preclude such party from taking any other action at any time which it would legally be entitled to take.

(e) Successors and Assigns. Neither party shall have the right to assign this Agreement, or any rights or obligations hereunder, without the consent of the other party; provided, however, that upon the sale of all or substantially all of the assets, business and goodwill of Employer to another company, or upon the merger or consolidation of Employer with another company, this Agreement shall inure to the benefit of, and be binding upon, both Executive and the company purchasing such assets, business and goodwill, or surviving such merger or consolidation, as the case may be, in the same manner and to the same extent as though such other company were Employer; and provided, further, that Employer shall have the right to assign this Agreement to any Affiliate or Subsidiary of Employer. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their legal representatives, heirs, successors and permitted assigns.

(f) Communications. All notices or other communications required or permitted hereunder will be in writing and will be deemed given or delivered when delivered personally, by registered or certified mail or by overnight courier (fare prepaid) addressed as follows:

(i) To Employer: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Chief Executive Officer

(ii) With a copy to: Prestige Brands Holdings, Inc.
90 North Broadway
Irvington, New York 10533
Attention: Legal Department

(iii) To the Employee: Timothy Connors
40611 N. Shadow Creek Way
Anthem AZ 85086

or to such address as a party hereto may indicate by a notice delivered to the other party. Notice will be deemed received the same day when delivered personally, five (5) days after mailing when sent by registered or certified mail, and the next business day when delivered by overnight courier. Any party hereto may change its address to which all communications and notices may be sent by addressing notices of such change in the manner provided.

(g) Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or

unenforceability shall not affect the validity and enforceability of the other provisions of this Agreement and the provision held to be invalid or unenforceable shall be enforced as nearly as possible according to its original terms and intent to eliminate such invalidity or unenforceability.

(h) Governing Law. This Agreement will be governed by, construed and enforced in accordance with the laws of the State of New York, without giving effect to its conflicts of law provisions.

(i) Arbitration. (a) Except as provided in subsection (b) of this Section 4(i), the following provisions shall apply to disputes between Employer and Executive arising out of or related to either: (i) this Agreement (including any claim that any part of this Agreement is invalid, illegal or otherwise void or voidable), or (ii) the employment relationship that exists between Employer and Executive:

(i) The parties shall first use their reasonable best efforts to discuss and negotiate a resolution of the dispute.

(ii) If efforts to negotiate a resolution do not succeed within 5 business days after a written request for negotiation has been made, the dispute shall be resolved timely and exclusively by final and binding arbitration in New York County or Westchester County, New York pursuant to the American Arbitration Association ("AAA") National Rules for the Resolution of Employment Disputes (the "AAA Rules"). Arbitration must be demanded within ten (10) calendar days after the expiration of the five (5) day period referred to above. The arbitration opinion and award shall be final and binding on the Employer and the Executive and shall be enforceable by any court sitting within New York County or Westchester County, New York. Employer and Executive shall share equally all costs of arbitration excepting their own attorney's fees unless and to the extent ordered by the arbitrator(s) to pay the attorneys' fees of the prevailing party.

(iii) The parties recognize that this Section 4(i) means that certain claims will be reviewed and decided only before an impartial arbitrator or panel of arbitrators instead of before a court of law and/or a jury, but desire the many benefits of the arbitration process over court proceedings, including speed of resolution, lower costs and fees, and more flexible rules of evidence. The arbitration or arbitrators duly selected pursuant to the AAA's Rules shall have the same power and authority to order any remedy for violation of a statute, regulation, or ordinance as a court would have; and shall have the same power to order discovery as a federal district court has under the Federal Rules of Civil Procedure.

(b) The provisions of this Section 4(i) shall not apply to any action by the Employer seeking to enforce its rights arising out of or related to the provisions of Sections 2 and 3 of this Agreement.

(c) This Section 4(i) is intended by the Employer and the Executive to be enforceable under the Federal Arbitration Act ("FAA"). Should it be determined by any court that the FAA does not apply, then this Section 4(i) shall be enforceable under the applicable arbitration statutes of the State of Delaware.

(j) No Third-Party Beneficiaries. Each of the provisions of this Agreement is for the sole and exclusive benefit of the parties hereto and shall not be deemed for the benefit of any other person or entity.

(k) Section 409A of the Internal Revenue Code. (a) Notwithstanding any provisions of this Agreement to the contrary, if the Executive is considered a Specified Executive (as defined below) at termination of employment other than on account of death or Disability, under such procedures as established by the Employer in accordance with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), benefit distributions, other than those that are deemed "separation pay" under the Treas. Reg. §1.409A-1(b)(9), that are made upon termination of employment may not commence earlier than six (6) months after the date of termination. Therefore, in the event this provision is applicable to the Executive, any distribution which would otherwise be paid to the Executive within the first six months following termination shall be accumulated and paid to the Executive in a lump sum on the first day of the seventh month following termination. All subsequent distributions shall be paid in the manner specified. "Specified Executive" means a key employee (as defined in Section 416(i) of the Code without regard to paragraph 5 thereof) of the Employer if any stock of the Employer is publicly traded on an established securities market or otherwise.

(b) With respect to the payment of all benefits under the Agreement, including separation pay and deferred compensation, whether a "termination of employment" takes place is determined based on the facts and circumstances surrounding the termination of the Executive's employment and whether the Employer and the Executive intended for the Executive to provide significant services for the Employer following such termination. A change in the Executive's employment status will not be considered a termination of employment if:

(i) the Executive continues to provide services as an employee of the Employer at an annual rate that is twenty percent (20%) or more of the services rendered, on average, during the immediately preceding three full calendar years of employment (or, if employed less than three years, such

lesser period) and the annual remuneration for such services is twenty percent (20%) or more of the average annual remuneration earned during the final three full calendar years of employment (or, if less, such lesser period), or

(ii) the Executive continues to provide services to the Employer in a capacity other than as an employee of the Employer at an annual rate that is fifty percent (50%) or more of the services rendered, on average, during the immediately preceding three full calendar years of employment (or if employed less than three years, such lesser period) and the annual remuneration for such services is fifty percent (50%) or more of the average annual remuneration earned during the final three full calendar years of employment (or if less, such lesser period).

For purposes of applying the provisions of Section 409A of the Code, a reference to the Employer shall also be deemed a reference to any affiliate thereof within the contemplation of Sections 414(b) and 414(c) of the Code. For purposes of this Agreement, the definition of "termination of employment" shall apply to all uses of such term, whether capitalized or not.

(l) Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

PRESTIGE BRANDS HOLDINGS, INC.

By: /s/ Matthew M. Mannelly
Name: Matthew M. Mannelly
Title: Chief Executive Officer

By: /s/ Timothy Connors
Name: Timothy Connors

DEFINITIONS

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlled" and "controlling" have meanings correlative thereto.

"Cause" is defined as (i) your willful and continued failure to substantially perform your duties with Employer (other than any such failure resulting from your incapacity due to physical or mental illness) that has not been cured within 10 days after a written demand for substantial performance is delivered to you by the Board, which demand specifically identifies the manner in which the Board believes that you have not substantially performed your duties, (ii) the willful engaging by you in conduct which is demonstrably and materially injurious to Employer or its Affiliates, monetarily or otherwise, (iii) your conviction (or plea of nolo contendere) for any felony or any other crime involving dishonesty, fraud or moral turpitude, (iv) your breach of fiduciary duty to Employer or its Affiliates, (v) any violation of Employer's policies relating to compliance with applicable laws which have a material adverse effect on Employer or its Affiliates or (vi) your breach of any restrictive covenant. For purposes of clauses (i) and (ii) of this definition, no act, or failure to act, on your part shall be deemed "willful" unless done, or omitted to be done, by you not in good faith and without reasonable belief that your act, or failure to act, was in the best interest of Employer.

"Disability" means the Executive: (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees or directors of the Employer. Medical determination of Disability may be made by either the Social Security Administration or by the provider of an accident or health plan covering employees or directors of the Employer provided that the definition of "disability" applied under such disability insurance program complies with the requirements of the preceding sentence. Upon the request of the plan administrator, the Executive must submit proof to the plan administrator of the Social Security Administration's or the provider's determination. For purposes of this Agreement the definition of "Disability" shall apply to all uses of such term, whether capitalized or not.

"Good Reason" means that the Executive terminated his employment with the Employer because, within the twelve (12) month period preceding the Executive's termination, one or more of the following conditions arose and the Executive notified the Employer of such condition within 90 days of its occurrence and the Employer did not remedy such condition within 30 days:

(i) a material diminution in the Executive's base salary as in effect on the date hereof or as the same may be increased from time to time;

(ii) a material diminution in the Executive's authority, duties, or responsibilities;

(iii) the relocation of the Employer's headquarters outside a thirty-mile radius of Irvington, New York or the Employer's requiring the Executive to be based at any place other than a location within a thirty-mile radius of Irvington, New York, except for reasonably required travel on the Employer's business; or

(iv) any other action or inaction that constitutes a material breach by the Employer of this Agreement.

"Person" means any person or entity, whether an individual, trustee, corporation, limited liability company, partnership, trust, unincorporated organization, business association, firm, joint venture, governmental authority or similar entity.

"Subsidiary" of any specified Person shall mean any corporation fifty percent (50%) or more of the outstanding capital stock of which, or any partnership, joint venture, limited liability company or other entity fifty percent (50%) or more of the ownership interests of which, is directly or indirectly owned or controlled by such specified Person, or any such corporation, partnership, joint venture, limited liability company, or other entity which may otherwise be controlled, directly or indirectly, by such Person.

Exhibit 21.1

SUBSIDIARIES LIST

Direct and Indirect Subsidiaries
of Prestige Brands Holdings, Inc.

Name	Jurisdiction of Incorporated/Organization
Medtech Holdings, Inc.	Delaware
Medtech Products Inc.	Delaware
Prestige Brands Holdings, Inc.	Virginia
Prestige Brands, Inc.	Delaware
Prestige Brands International, Inc.	Virginia
Prestige Brands (UK) Limited	England and Wales
Prestige Personal Care Holdings, Inc.	Delaware
Prestige Personal Care, Inc.	Delaware
Prestige Services Corp.	Delaware
The Cutex Company	Delaware
The Denorex Company	Delaware
The Spic and Span Company	Delaware
Wartner USA B.V.	Netherlands

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-123487) of Prestige Brands Holdings, Inc. of our report dated June 11, 2010 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Annual Report on Form 10-K.

/s/ PricewaterhouseCoopers LLP

Salt Lake City, Utah
June 11, 2010

Exhibit 31.1

CERTIFICATIONS

I, Matthew M. Mannelly, certify that:

1. I have reviewed this Annual Report on Form 10-K of Prestige Brands Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15(d)-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 11, 2010

/s/ MATTHEW M. MANNELLY

Matthew M. Mannelly

Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Peter J. Anderson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Prestige Brands Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15(d)-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 11, 2010

/s/ PETER J. ANDERSON
Peter J. Anderson
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew M. Mannelly, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Prestige Brands Holdings, Inc. on Form 10-K for the year ended March 31, 2010, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as applicable, and that information contained in such Annual Report fairly presents, in all material respects, the financial condition and results of operations of Prestige Brands Holdings, Inc.

/s/ **MATTHEW M. MANNELLY**
Name: Matthew M. Mannelly
Title: *Chief Executive Officer*
Date: June 11, 2010

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Peter J. Anderson, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Prestige Brands Holdings, Inc. on Form 10-K for the year ended March 31, 2010, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as applicable, and that information contained in such Annual Report fairly presents, in all material respects, the financial condition and results of operations of Prestige Brands Holdings, Inc.

/s/ **PETER J. ANDERSON**
Name: Peter J. Anderson
Title: *Chief Financial Officer*
Date: June 11, 2010