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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (date of earliest event reported): October 25, 2011

LENNOX INTERNATIONAL INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-15149
(Commission File Number)

42-0991521
(IRS Employer
Identification No.)

2140 Lake Park Blvd.
Richardson, Texas 75080
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code:
(972) 497-5000

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On October 21, 2011, Lennox International Inc. (the “Company”) entered into a Fourth Amended and Restated Revolving Credit Facility Agreement (the “Credit Agreement”) with JPMorgan Chase Bank, National Association, as administrative agent, and the other Lenders party thereto. The Credit Agreement replaces the Company’s previous credit agreement, the Third Amended and Restated Revolving Credit Facility Agreement, dated as of October 12, 2007, among the Company, Bank of America, N.A., as administrative agent, and the other lenders named therein.

The Credit Agreement provides for an unsecured \$650 million revolving credit facility that matures on October 21, 2016. The revolving credit facility includes a subfacility for swingline loans of up to \$65,000,000 and provides for the issuance of letters of credit for the full amount of the credit facility. At the Company’s request and subject to certain conditions, the commitments under the Credit Agreement may be increased by up to \$100 million to the extent that existing or new lenders agree to provide such additional commitments.

Each revolving borrowing under the Credit Agreement is comprised of either ABR Loans or Eurodollar Loans. ABR Loans bear interest at the Alternate Base Rate plus an Applicable Rate. The Alternate Base Rate is a rate per annum equal to the greatest of (a) the Prime Rate (b) the Federal Funds Effective Rate plus 0.5% and (c) the Adjusted LIBO Rate for a one month interest period. Eurodollar Loans bear interest at the Adjusted LIBO Rate for the interest period in effect for the applicable borrowing plus an Applicable Rate. The Adjusted LIBO Rate for such purpose is a rate per annum equal to (a) the LIBO Rate for the applicable interest period (or, with respect to the determination of the Alternate Base Rate and the Eurodollar Daily Floating Rate, for a one month interest period) multiplied by (b) the Statutory Reserve Rate. The Applicable Rate used in these calculations is based on the Company’s leverage ratio and ranges from 0% to 1.00% for ABR Loans and from 1.00 to 2.00% for Eurodollar Loans. The Company may prepay the revolving loans at any time without premium or penalty, other than customary breakage costs in the case of Eurodollar Loans.

The Credit Agreement contains several customary covenants including, but not limited to, limitations on certain indebtedness, liens, mergers, investments, acquisitions and asset sales. In addition, the Credit Agreement contains financial covenants requiring the Company to maintain a consolidated leverage ratio of no more than 3.50 to 1.00 as of the most recently ended four fiscal quarters, and a consolidated interest coverage ratio of at least 3.00 to 1.00 as of the most recently ended four fiscal quarters. The Credit Agreement is subject to customary events of default, including, but not limited to, non-payment of principal or other amounts under the Credit Agreement, material inaccuracy of representations and warranties, breach of covenants, cross-default to other material indebtedness, certain voluntary and involuntary bankruptcy events, and the occurrence of a change of control. The occurrence of an event of default could result in the acceleration of amounts due, and termination of the lenders’ commitments, under the Credit Agreement.

The Company’s obligations under the Credit Agreement are required to be guaranteed by certain of its material domestic subsidiaries. The initial subsidiary guarantors are Allied Air Enterprises Inc., Advanced Distributor Products LLC, Heatcraft Inc., Heatcraft Refrigeration Products LLC, Lennox Global Ltd., Lennox Industries Inc., Service Experts LLC and Service Experts Heating & Air Conditioning LLC.

A copy of the Credit Agreement is filed as Exhibit 10.1 hereto. The foregoing description of the Credit Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Credit Agreement, which is incorporated by reference herein.

Item 2.02 Results of Operations and Financial Condition.*

On October 25, 2011, the Company issued a press release announcing its financial results for the quarter ended September 30, 2011. A copy of the press release is furnished as Exhibit 99.1 to this report and is incorporated by reference into this Item 2.02 disclosure.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
10.1	Fourth Amended and Restated Revolving Credit Facility Agreement dated as of October 21, 2011, among Lennox International Inc., a Delaware corporation, the Lenders party thereto, and JPMorgan Chase Bank, National Association, as Administrative Agent (filed herewith).
99.1	Press release dated October 25, 2011 (filed herewith).*

* The information contained in Item 2.02 and Exhibit 99.1 of this Current Report, is being “furnished” with the Securities and Exchange Commission and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities under that section. Furthermore, such information shall not be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, unless specifically identified as being incorporated therein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LENNOX INTERNATIONAL INC.

Date: October 25, 2011

By: /s/ Robert L. Villaseñor
Name: Robert L. Villaseñor
Title: Director, Securities Law and Assistant Corporate Secretary

FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT

dated as of

October 21, 2011

among

LENNOX INTERNATIONAL INC.,
as the Borrower,

The Lenders Party Hereto

J.P.Morgan

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
as Administrative Agent,

BANK OF AMERICA, N.A. and WELLS FARGO BANK, N.A.
as Syndication Agents,

PNC BANK, NATIONAL ASSOCIATION and THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.,
as Documentation Agents,

and

U.S. BANK NATIONAL ASSOCIATION,
as Managing Agent

J.P. MORGAN SECURITIES LLC,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
and
WELLS FARGO SECURITIES, LLC
as Joint Lead Arrangers,

and

J.P. MORGAN SECURITIES LLC,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
and
WELLS FARGO SECURITIES, LLC,
as Joint Bookrunners

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EXHIBITS:

- Exhibit A — Form of Assignment and Assumption
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- Exhibit D — Form of Increased Commitment Supplement
- Exhibit E — Form of Borrowing Request
- Exhibit F — Form of Interest Election Request

LIST OF SCHEDULES AND EXHIBITS, Solo Page

FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT dated as of October 21, 2011, among LENNOX INTERNATIONAL INC., a Delaware corporation, the LENDERS party hereto, and JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as Administrative Agent.

WITNESSETH

A. The Borrower, Bank of America, N.A., as administrative agent, and certain lenders entered into that certain Third Amended and Restated Revolving Credit Facility Agreement dated as of October 12, 2007 (as amended by that certain First Amendment to Third Amended and Restated Revolving Credit Facility Agreement dated as of February 22, 2010, the "Prior Credit Agreement").

B. The Borrower and the other Loan Parties have requested that the Prior Credit Agreement be amended to, among other things, extend the Revolving Maturity Date. The parties have agreed to amend and restate the Prior Credit Agreement on the terms and conditions set forth herein.

C. Contemporaneously with the execution of this Agreement, RBS Citizens, N.A. and UBS Loan Finance LLC shall assign all of their interests as Lenders under the Prior Credit Agreement to JPMorgan Chase Bank, National Association pursuant to those certain Assignment and Assumption Agreements dated as of the date hereof.

D. Pursuant to their execution of this Agreement, Branch Banking and Trust Company, Fifth Third Bank, and Morgan Stanley Bank, N.A. are becoming Lenders hereunder.

E. Bank of America, N.A. is hereby resigning as the administrative agent under the Prior Credit Agreement. As a result, the Loan Parties have requested that Bank of America, N.A. assign all of its right, title and interest as the "Administrative Agent" and "Swingline Lender" under the Prior Credit Agreement and the "Loan Documents" (as defined in the Prior Credit Agreement) to JPMorgan Chase Bank, National Association in connection with the execution of this Agreement.

The parties hereto agree as follows:

ARTICLE I.

Definitions

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

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

"Adjusted EBITDA" means, for any period (the "Subject Period"), the total of the following calculated without duplication for such period: (a) Borrower's EBITDA; plus (b), on a pro forma basis, the pro forma EBITDA of each Prior Target or, as applicable, the EBITDA of a Prior Target attributable to the assets acquired from such Prior Target, for any portion of such Subject Period occurring prior to the date of the acquisition of such Prior Target or the related assets but only to the extent such EBITDA for such Prior Target can be established in a manner reasonably satisfactory to the Administrative Agent based on financial statements of the Prior Target prepared in accordance with GAAP; minus (c) the EBITDA of each Prior Company and, as applicable but without duplication, the EBITDA of Borrower

and each Subsidiary attributable to all Prior Assets, in each case for any portion of such Subject Period occurring prior to the date of the disposal of such Prior Companies or Prior Assets.

“**Adjusted LIBO Rate**” means, with respect to any Eurodollar Borrowing for any Interest Period or with respect to the determination of the Alternate Base Rate and the Eurodollar Daily Floating Rate, an interest rate per annum equal to (a) the LIBO Rate for such Interest Period or, with respect to the determination of the Alternate Base Rate and the Eurodollar Daily Floating Rate, for a one month interest period multiplied by (b) the Statutory Reserve Rate.

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

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

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

“**Alternate Base Rate**” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 0.5% and (c) the Adjusted LIBO Rate for a one month interest period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

“**Applicable Percentage**” means, with respect to any Revolving Lender, the percentage of the total Revolving Commitments represented by such Lender’s Revolving Commitment; provided that, in accordance with Section 2.20, so long as any Lender shall be a Defaulting Lender, such Defaulting Lender’s Commitment shall be disregarded in the foregoing calculations. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments.

“**Applicable Rate**” means, for any day, with respect to any ABR Loan (including any Swingline Loan bearing interest at the Alternate Base Rate), any Eurodollar Loan, any Swingline Loan bearing interest at the Eurodollar Daily Floating Rate, or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption “ABR Spread”, “Eurodollar Spread”, “Eurodollar Daily Swingline Spread” or “Commitment Fee Rate”, as the case may be, based upon the Leverage Ratio as of the most recent determination date:

Leverage Ratio	ABR Spread	Eurodollar Spread	Eurodollar Daily Swingline Spread	Commitment Fee Rate
Category 1 > 3.00 to 1.0	1.00%	2.00%	2.00%	0.35%
Category 2 £ 3.00 to 1.0 but > 2.50 to 1.0	0.75%	1.75%	1.75%	0.30%
Category 3 £ 2.50 to 1.0 but > 2.00 to 1.0	0.50%	1.50%	1.50%	0.25%

<u>Leverage Ratio</u>	<u>ABR Spread</u>	<u>Eurodollar Spread</u>	<u>Eurodollar Daily Swingline Spread</u>	<u>Commitment Fee Rate</u>
Category 4 £ 2.00 to 1.0 but > 1.50 to 1.0	0.25%	1.25%	1.25%	0.20%
Category 5 £ 1.50 to 1.0	0.00%	1.00%	1.00%	0.15%

For purposes of the foregoing, (i) the Leverage Ratio shall be determined as of the end of each fiscal quarter of the Borrower's fiscal year based upon the Borrower's consolidated financial statements delivered pursuant to Section 5.01(a) or (b); provided that until the delivery to the Administrative Agent of the Borrower's consolidated financial statements for the fiscal quarter ending September 30, 2011 pursuant to Section 5.01(b), the "Applicable Rate" shall be the applicable rate per annum set forth in Category 3 and (ii) each change in the Applicable Rate resulting from a change in the Leverage Ratio shall be effective during the period commencing on and including the date of delivery to the Administrative Agent of such consolidated financial statements indicating such change and ending on the date immediately preceding the effective date of the next such change; provided that the Leverage Ratio shall be deemed to be in Category 1 (A) at any time that an Event of Default has occurred and is continuing or (B) at the option of the Administrative Agent or at the request of the Required Lenders if the Borrower fails to deliver the consolidated financial statements required to be delivered by it pursuant to Section 5.01(a) or (b), during the period from the expiration of the time for delivery thereof until such consolidated financial statements are delivered. If it is ever subsequently determined that such financial statements did not accurately report as of the date of such financial statements the information necessary to determine the Leverage Ratio and as a result thereof the Leverage Ratio utilized to determine the Applicable Rate was not correct and resulted in (i) the Applicable Rate being otherwise lower than it should have been if the Leverage Ratio was accurately determined, then the Borrower shall pay to the Administrative Agent the amount that would have been due under the terms hereof if the Leverage Ratio was calculated correctly or (ii) the Applicable Rate being otherwise higher than it should have been if the Leverage Ratio was accurately determined, then the Borrower shall receive a credit equal to the amount of the overpayment to be applied to future Obligations. A certificate of the Administrative Agent setting forth the amount or amounts (including a reasonably detailed calculation thereof) of any such difference shall be delivered to the Borrower and the Borrower shall pay the Administrative Agent the amount shown as due on any such certificate within 30 days after receipt thereof.

"Approved Fund" has the meaning assigned to such term in Section 10.04.

"Assignment and Assumption" means an Assignment and Assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

"Bankruptcy Event" means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business, appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or

instrumentality), to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

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

“Borrower” means Lennox International Inc., a Delaware corporation.

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

“Borrowing Request” means a request by the Borrower for a Borrowing in accordance with Section 2.03.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City and Dallas, Texas are authorized or required by law to remain closed; provided that, when used in connection with a Eurodollar Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

“Capital Expenditures” means, for any period and a Person, the additions to property, plant and equipment and other capital expenditures of such Person and its consolidated subsidiaries that are (or would be) set forth in a consolidated statement of cash flows of such Person for such period prepared in accordance with GAAP.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

“Change in Control” means the acquisition by any New Owner of beneficial ownership of 40% or more of the outstanding shares of common stock of the Borrower entitled to vote for members of the board of directors of the Borrower. As used in this definition,

“Norris Family” means all Persons who are lineal descendants of D.W. Norris (by birth or adoption), all spouses of such descendants, all estates of such descendants or spouses which are in the course of administration, all trusts for the benefit of such descendants or spouses, and all corporations or other entities in which, directly or indirectly, such descendants or spouses (either alone or in conjunction with other such descendants or spouses) have the right, whether by ownership of stock or other Equity Interests or otherwise, to direct the management and policies of such corporations or other entities (each such person, spouse, estate, trust, corporation or entity being referred to herein as a “member” of the Norris Family).

“New Owner” means any Person (other than a member of the Norris Family), or any syndicate or group of Persons (exclusive of all members of the Norris Family) which would be deemed a Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the date hereof), who directly or indirectly acquires shares in the Borrower.

“Change in Law” means (a) the adoption of any law, rule, regulation or treaty (including any rules or regulations issued under or implementing any existing law) after the date of this Agreement, (b) any

change in any law, rule, regulation or treaty or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender or the Issuing Bank (or, for purposes of Section 2.14(b), by any lending office of such Lender or by such Lender's or the Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted, issued or implemented.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans or Swingline Loans and, when used in reference to any Commitment, refers to whether such Commitment is a Revolving Commitment or Swingline Commitment.

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

"Commitments" means the Revolving Commitment and the commitment of the Swingline Lender to make Swingline Loans.

"Consolidated Net Income" means, for any period, the net income (or net loss) of the Borrower and its Subsidiaries for such period, determined in accordance with GAAP.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Default" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

"Defaulting Lender" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or Swingline Loans or (iii) pay over to any Loan Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular Default, if any) has not been satisfied; (b) has notified the Borrower or any Loan Party in writing, or has made a public statement, to the effect that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent to funding a Revolving Loan under this Agreement (specifically identified and including the particular Default, if any) cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three Business Days after request by a Loan Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans and participations in then outstanding Letters of Credit and Swingline Loans under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Loan Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has become the subject of a Bankruptcy Event.

“Deposit Obligations” means all obligations, indebtedness, and liabilities of the Borrower or any Subsidiaries, or any one of them, to any Lender or any Affiliate of any Lender arising pursuant to any deposit, lock box, automated clearing house or cash management arrangements entered into by any Lender or any Affiliate of any Lender with the Borrower or any Subsidiaries, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including the obligation, indebtedness, and liabilities of the Borrower or any Subsidiaries, or any one of them, to repay any credit extended in connection with such arrangements, interest thereon, and all fees, costs, and expenses (including attorneys’ fees and expenses) provided for in the documentation executed in connection therewith.

“Disclosed Matters” means all the matters disclosed in the Borrower’s reports to the Securities and Exchange Commission on Form 10-Q for the quarterly period ended June 30, 2011, on any Form 8-K filed after the Form 10-Q for the quarterly period ended June 30, 2011 but before the Effective Date, and on Form 10-K for the fiscal year ended December 31, 2010.

“Dollars”, “dollars” or “\$” refers to lawful money of the United States of America.

“Dollar Amount” means, as of any date of determination, (a) in the case of any amount denominated in Dollars, such amount, and (b) in the case of any amount denominated in another currency, the amount of Dollars which is equivalent to such amount of other currency as of such date, determined by using the Spot Rate on the date two (2) Business Days prior to such date or on such other date as may be requested by the Borrower and approved by the Administrative Agent.

“Domestic Subsidiary” means any Subsidiary that is organized under the laws of the United States of America, any state thereof or the District of Columbia.

“EBITDA” means, for any period, the total of the following calculated for Borrower and its Subsidiaries without duplication on a consolidated basis in accordance with GAAP consistently applied for such period: (a) Consolidated Net Income; plus (b) without duplication and to the extent deducted in determining Consolidated Net Income for such period, the sum of: (i) income and franchise taxes, (ii) Interest Expense, (iii) amortization and depreciation expense, (iv) non-cash charges resulting from the application of GAAP that requires a charge against earnings for the impairment of assets (including goodwill), (v) any non-cash expenses that arose in connection with the grant of stock options or other equity based awards to officers, directors, consultants, and employees of the Borrower and its Subsidiaries, (vi) any non-recurring charges which relate to the discontinuance of Subsidiary operations, (vii) any non-recurring charges which relate to restructuring and severance activities; provided, that the total cash amount of such charges shall not exceed \$15,000,000 during any four fiscal quarter period (not taking into account any cash charges under (viii) below), (viii) any non-recurring charges which relate to the refinance of the lease of the Borrower’s headquarters building located at 2140 Lake Park Blvd., Richardson, Texas (the “Synthetic Lease”); provided, that the total cash amount of such charges shall not exceed \$15,000,000 during the term of this Agreement, (ix) any non-cash loss (or minus any gain) associated with the sale of assets not in the ordinary course of business, (x) extraordinary loss or other items (or minus any extraordinary gain or income), (xii) any non-cash loss (or minus any non-cash gain) related to financial instrument hedges (other than foreign currency hedges), and (xiii) the cumulative non-cash effects of changes in accounting policies; minus (c) cash payments made in such period related to a non-cash expense (other than with respect to restructuring activities) added to Consolidated Net Income in a previous period.

“Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 10.02).

“Environmental Laws” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to health and safety matters.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means shares of the capital stock, partnership interests, membership interest in a limited liability company, beneficial interests in a trust or other equity interests or any warrants, options or other rights to acquire such interests.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30-day notice period is waived); (b) the failure of any Plan to satisfy the “minimum funding standards” in any respect (as described in Sections 412 or 430 of the Code or Section 302 of ERISA), determined without regard to whether any such contribution required under the Code or ERISA has or has not been waived by the Internal Revenue Service; (c) the filing pursuant to Section 412 of the Code or Section 303 of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

“euro” or “Euro” means the single currency of the Participating Member States.

“Eurodollar”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate but not including any Loan or Borrowing bearing interest at a rate determined by reference to (a) clause (c) of the definition of the term “Alternate Base Rate” or (b) the term “Eurodollar Daily Floating Rate”.

“Eurodollar Daily Floating Rate” means, for any day, the daily fluctuating rate per annum equal to the Adjusted LIBO Rate for a one month interest period. Any change in the Eurodollar Daily Floating Rate due to a change in the LIBO Rate shall be effective from and including the effective date of such change in the LIBO Rate.

“Event of Default” has the meaning assigned to such term in Article VIII.

“Excluded Foreign Subsidiary” means any Foreign Subsidiary in respect of which the guaranteeing of the Obligations would result in an adverse tax consequence to the Borrower.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender, the Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) taxes imposed on (or measured by) its net overall income (however denominated) and franchise taxes imposed on such Lender or other recipient by the United States of America, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or by any other jurisdiction as a result of any other present or former connection between such recipient and such jurisdiction (other than any connection arising from the execution, delivery or performance of any Loan Documents), (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Borrower is located, (c) in the case of a Lender (other than an assignee pursuant to a request by the Borrower under Section 2.18(b)), any United States federal withholding tax that is imposed on amounts payable to such Lender at the time such Lender becomes a party to this Agreement or designates a new lending office, except to the extent that the Lender (or its assignor, in the case of assignment) was entitled at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 2.16(a), (d) any United States federal withholding tax that would not have been imposed but for the Recipient’s failure to comply with Section 2.16(e); and (e) any United States federal withholding tax that would not have been imposed but for a failure by such Recipient to comply with the applicable requirements of FATCA.

“Existing Letters of Credit” means the letters of credit issued for the account of the Borrower or a Subsidiary outstanding on the Effective Date and described on Schedule 1.01.

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

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding 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 (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Financial Officer” means the chief financial officer, principal accounting officer, treasurer or controller of the Borrower.

“Foreign Lender” means any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is located. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Subsidiary” means any Subsidiary that is organized under the laws of a jurisdiction other than the United States of America or any State thereof or the District of Columbia.

“Fully Satisfied” or “Full Satisfaction” means, as of any date, that on or before such date:

(a) with respect to the Loan Obligations: (i) the principal of and interest accrued to such date on the Loan Obligations (other than the contingent LC Exposure) shall have been paid in full in cash, (ii) all fees, expenses and other amounts then due and payable which constitute Loan Obligations (other than the contingent LC Exposure and other contingent amounts not then liquidated) shall have been paid in full in cash, (iii) the Commitments shall have expired or irrevocably been terminated, and (iv) the contingent LC Exposure shall have been secured by: (A) the grant of a first priority, perfected Lien on cash or cash equivalents in an amount at least equal to 105% of the amount of such LC Exposure or other collateral which is reasonably acceptable to the Issuing Bank or (B) the issuance of a letter of credit in form and substance reasonably acceptable to the Issuing Bank with an original face amount at least equal to 105% of the amount of such LC Exposure;

(b) with respect to the Swap Obligations (i) all termination payments, fees, expenses and other amounts then due and payable under the related Swap Agreements which constitute Swap Obligations shall have been paid in full in cash; and (ii) all contingent amounts which could be payable under the related Swap Agreements shall have been secured by: (A) the grant of a first priority, perfected Lien on cash or cash equivalents in an amount at least equal to 105% of the amount of such contingent Swap Obligations or other collateral which is reasonably acceptable to the Lender or Affiliate of a Lender holding the applicable Swap Obligations or (B) the issuance of a letter of credit in form and substance reasonably acceptable to the Lender or Affiliate of a Lender holding the applicable Swap Obligations and in an amount at least equal to 105% of the amount of such contingent Swap Obligations; and

(c) with respect to the Deposit Obligations: (i) all fees, expenses and other amounts then due and payable which constitute Deposit Obligations shall have been paid in full in cash, (ii) any further commitments to extend credit in connection with such Deposit Obligations shall have expired or irrevocably been terminated or reasonably satisfactory arrangements to secure the same shall be made with the depository bank, and (iii) all contingent amounts which could be payable in connection with the Deposit Obligations shall have been secured by: (A) the grant of a first priority, perfected Lien on cash or cash equivalents in an amount at least equal to 105% of the amount of such contingent Deposit Obligations or other collateral which is acceptable to the Lender or Affiliate of a Lender holding the applicable Deposit Obligations or (B) the issuance of a letter of credit in form and substance reasonably acceptable to the Lender or Affiliate of a Lender holding the applicable Deposit Obligations and in an amount at least equal to 105% of the amount of such contingent Deposit Obligations.

“GAAP” means generally accepted accounting principles in the United States of America.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including

the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation (including any obligations under an operating lease) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation (including any obligations under an operating lease) of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business.

“Guaranty Agreement” means the Fourth Amended and Restated Subsidiary Guaranty Agreement executed by the Subsidiary Guarantors dated as of the date hereof, substantially in the form of Exhibit C hereto.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Increase Amount” has the meaning assigned to such term in Section 2.19.

“Increased Commitment Supplement” has the meaning specified in Section 2.19.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind (including the Receivable Securitization Outstandings); (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments; (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person; (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding accounts payable incurred in the ordinary course of business); (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed; (f) all Guarantees by such Person; (g) all Capital Lease Obligations of such Person; (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty (but excluding obligations in respect of (1) trade or commercial letters of credit issued for the account of such Person in the ordinary course of business and (2) stand-by letters of credit issued to support obligations of such Person that are not of the type described in any of clauses (a) through (g) and (i) through (k) of this definition); (i) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances; (j) all obligations of such Person under any Swap Agreement; and (k) all obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which lease is required or is permitted to be classified and accounted for as an operating lease under GAAP but which is intended by the parties thereto for tax, bankruptcy, regulatory, commercial law, real estate law and all other purposes as a financing arrangement. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is

liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. The amount of the obligations of the Borrower or any Subsidiary in respect of any Swap Agreement shall, at any time of determination and for all purposes under this Agreement, be the maximum aggregate amount (giving effect to any netting agreements) that the Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time giving effect to current market conditions notwithstanding any contrary treatment in accordance with GAAP.

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Information Memorandum” means the Confidential Information Memorandum dated September 28, 2011 relating to the Borrower and the Transactions.

“Interest Election Request” means a request by the Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.07.

“Interest Expense” means the sum of the following calculated on a consolidated basis without duplication in accordance with GAAP: (a) total interest expense (excluding interest expense derived from amortization of fees and including any interest expense attributable to any Receivable Securitization Facility); plus (b) that portion of amounts paid under synthetic lease obligations that is representative of the interest expense that would have been paid if such transaction were accounted for as a capital lease or otherwise as a financing.

“Interest Payment Date” means (a) with respect to any ABR Loan and any Swingline Loan, the last day of each March, June, September and December, and (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period.

“Interest Period” means with respect to any Eurodollar Borrowing, the period commencing on the date of such Borrowing and ending seven days or one, two, three or six months thereafter, in each case, as the Borrower may elect, provided, that (y) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless, such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (z) any Interest Period (other than a seven day Interest Period) that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Issuing Bank” means, collectively, each of JPMorgan Chase Bank, National Association, Bank of America, N.A. and Wells Fargo Bank, N.A., in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.05(i), and each bank which has issued an Existing Letter of Credit solely with respect to such Existing Letter of Credit. The Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. Neither Bank of America, N.A. nor Wells Fargo Bank, N.A. has any obligation to issue any Letter of Credit hereunder.

“LC Disbursement” means a payment made by the Issuing Bank pursuant to a Letter of Credit.

“LC Exposure” means, at any time, without duplication, the sum of (a) the aggregate undrawn Dollar Amount of all outstanding Letters of Credit at such time plus (b) the aggregate Dollar amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

“Lenders” means (a) for all purposes, the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Increased Commitment Supplement or an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or otherwise and (b) for purposes of the definitions of “Swap Obligations” and “Secured Parties” only, shall include any Person who was a Lender at the time a Swap Agreement was entered into by one or more of the Loan Parties, even though, at a later time of determination, such Person no longer holds any Commitments or Loans hereunder. Unless the context otherwise requires, the term “Lenders” includes the Swingline Lender. As a result of clause (b) of this definition, the Swap Obligations owed to a Lender or its Affiliates shall continue to be “Swap Obligations”, entitled to share in the benefits of the Guaranty Agreement as herein provided, even though such Lender ceases to be a party hereto pursuant to an Assignment and Assumption or otherwise.

“Letter of Credit” means any letter of credit issued pursuant to this Agreement.

“Leverage Ratio” means the ratio of Total Indebtedness to Adjusted EBITDA, as calculated in accordance with Section 7.01.

“LIBO Rate” means, with respect to any Eurodollar Borrowing for any Interest Period, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such Service, or any successor to or substitute for such Service, providing rate quotations comparable to those currently provided on such page of such Service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at such time for any reason, then the “LIBO Rate” with respect to such Eurodollar Borrowing for such Interest Period shall be the rate at which dollar deposits of \$5,000,000 and for a maturity comparable to such Interest Period are offered by the principal London office of the Administrative Agent in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period. For purposes of determining the Alternate Base Rate or the Eurodollar Daily Floating Rate, the LIBO Rate for any day shall be based on the rate appearing on the Reuters Screen LIBOR01 Page (or on any successor or substitute page) at approximately 11:00 a.m. London time on such day (without any rounding) for a one month interest period.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loan Documents” means this Agreement, the Guaranty Agreement, and all other certificates, agreements and other documents or instruments now or hereafter executed and/or delivered pursuant to or in connection with the foregoing.

“Loan Obligations” means all obligations, indebtedness, and liabilities of the Borrower or any Subsidiaries, or any one of them, to the Administrative Agent and the Lenders arising pursuant to any of the Loan Documents, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including the obligation of the Borrower or any Subsidiaries to repay the Loans, the LC Disbursements, interest on the Loans and LC Disbursements, and all fees, costs, and expenses (including attorneys’ fees and expenses) provided for in the Loan Documents.

“Loan Parties” means the Borrower and the Subsidiary Guarantors.

“Loans” means the loans made by the Lenders to the Borrower pursuant to this Agreement.

“Material Adverse Effect” means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Borrower and the Subsidiaries taken as a whole, (b) the ability of any Loan Party to perform its obligations under the Loan Documents to which it is a party or (c) the rights of or benefits available to the Administrative Agent, the Issuing Bank, or any Lender.

“Material Indebtedness” means Indebtedness (other than the Loans and Letters of Credit but including Receivable Securitization Outstandings and obligations in respect of one or more Swap Agreements) of any one or more of the Borrower and its Subsidiaries in an aggregate principal amount exceeding \$75,000,000.

“Material Subsidiary” means any Subsidiary of the Borrower (except LPAC Corp., Lake Park Insurance, Ltd., and any Excluded Foreign Subsidiary), the book value (as determined in accordance with GAAP) of whose total assets equals or exceeds ten percent (10%) of the book value (determined in accordance with GAAP) of the consolidated total assets of the Borrower and all of its Subsidiaries as determined as of the last day of each fiscal quarter of the Borrower.

“Maximum Rate” has the meaning assigned to such term in Section 10.13(a).

“Moody’s” means Moody’s Investors Service, Inc.

“Multiemployer Plan” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“New Lender” has the meaning assigned to such term in Section 2.19.

“Obligations” means all Loan Obligations, the Swap Obligations and all Deposit Obligations.

“Other Taxes” means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document.

“Participant” has the meaning set forth in Section 10.04.

“Participating Member State” means any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union.

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“Permitted Encumbrances” means:

(a) Liens imposed by law for taxes that are not yet due or are being contested in compliance with Section 5.04;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 60 days or are being contested in compliance with Section 5.04;

(c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation and other casualty-related insurance programs, unemployment insurance, employer's health tax, other social security laws or regulations, or retirement benefits (including, pledges or deposits or similar Liens securing liabilities to insurance carriers under insurance or self-insurance arrangements in the ordinary course);

(d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(e) judgment Liens in respect of judgments that do not constitute an Event of Default under clause (k) of Article VIII;

(f) easements, zoning restrictions, leases or subleases granted to others in the ordinary course of business and covering only the assets so leased, rights-of-way, restrictive covenants, and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower or any Subsidiary;

(g) Liens arising from filing UCC financing statements regarding leases permitted by this Agreement;

(h) leases or subleases entered into by Borrower or a Subsidiary in good faith with respect to its property not used in its business and which do not materially interfere with the ordinary conduct of business of the Borrower or any Subsidiary;

(i) statutory and common law landlords' liens under leases to which Borrower or one of the Subsidiaries is a party; and

(j) customary Liens (including the right of set-off) in favor of banking institutions encumbering deposits held by such banking institutions incurred in the ordinary course of business.

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness.

"Permitted Investments" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, one of the two highest credit ratings obtainable from S&P or from Moody's;

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a—7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least \$5,000,000,000; and

(f) in the case of any Foreign Subsidiary, investments that are substantially similar to those described above.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Prime Rate” means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, National Association as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

“Prior Assets” means assets that have been disposed of by a division or branch of Borrower or a Subsidiary in a transaction with an unaffiliated third party approved in accordance with this Agreement which would not make the seller a “Prior Company” but constitute all or substantially all of the assets of such division or branch for which the total consideration to be paid exceeds \$25,000,000.

“Prior Company” means any Subsidiary whose capital stock or other equity interests have been disposed of, or all or substantially all of whose assets have been disposed of, in each case, in a transaction with an unaffiliated third party approved in accordance with this Agreement for which the total consideration to be paid exceeds \$25,000,000.

“Prior Credit Agreement” has the meaning assigned to such term in the Recitals.

“Prior Target” means all targets acquired or whose assets have been acquired in an acquisition permitted by Section 6.04 for which the total consideration to be paid exceeds \$25,000,000.

“Receivable Securitization Facility” means, with respect to the Borrower or any Subsidiary, a transaction or group of transactions typically referred to as a securitization in which the Borrower or such Subsidiary sells its accounts receivable in a transaction accounted for as a true sale to a special purpose bankruptcy remote entity that obtains debt financing to finance the purchase price.

“Receivable Securitization Outstandings” means the aggregate amount outstanding (i.e., advanced as the purchase price and not repaid from collections) under all Receivable Securitization Facilities of the Borrower and its Subsidiaries that is representative of the principal amount that would be outstanding if such Receivable Securitization Facilities were accounted for as financings.

“Register” has the meaning set forth in Section 10.04.

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person’s Affiliates.

“Required Lenders” means, at any time, Lenders (other than Defaulting Lenders) having Revolving Exposures and unused Commitments representing more than 50.00% of the sum of the total Revolving Exposures and unused Commitments at such time.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the Borrower or any Subsidiary.

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

“Revolving Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make Revolving Loans and to acquire participations in Letters of Credit and Swingline Loans hereunder, expressed as an amount representing the maximum aggregate amount of such Lender’s Revolving Exposure hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08, (b) increased from time to time pursuant to an Increased Commitment Supplement, and (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04. The initial amount of each Lender’s Revolving Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment or in the Increased Commitment Supplement pursuant to which such Lender shall have become a Lender, as applicable. As of the Effective Date, the aggregate amount of the Lenders’ Revolving Commitments is \$650,000,000.

“Revolving Exposure” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Revolving Loans and its LC Exposure and Swingline Exposure at such time.

“Revolving Lender” means a Lender with a Revolving Commitment or, if the Revolving Commitments have terminated or expired, a Lender with Revolving Exposure.

“Revolving Loan” means a Loan made pursuant to Section 2.01 hereof or pursuant to Section 2.01(a) of the Prior Credit Agreement that remains outstanding on the Effective Date.

“Revolving Maturity Date” means October 21, 2016.

“S&P” means Standard & Poor’s Rating Services, a division of the McGraw Hill Companies.

“Secured Parties” means the Administrative Agent, the Lenders and each Affiliate of a Lender who is owed any portion of the Obligations.

“Senior Unsecured Notes” means those 4.90% notes due 2017 issued pursuant to that certain First Supplemental Indenture dated as of May 6, 2010 among the Borrower, as issuer, certain of the Subsidiaries, as guarantors, and U.S. Bank National Association, as trustee.

“Spot Rate” means, with respect to any day, the rate determined on such date on the basis of the offered exchange rates, as reflected in the foreign currency exchange rate display of the Reuters Group (or on any successor or substitute page, or any successor to or substitute for Reuters Group, providing exchange rate quotations comparable to those currently provided by the Reuters Group on such page, as determined by the Administrative Agent from time to time) at or about 10:00 a.m. (Dallas, Texas time), to purchase Dollars with the other applicable currency, provided that, if at least two such offered rates appear on such display, the rate shall be the arithmetic mean of such offered rates and, if no such offered rates are so displayed, the Spot Rate shall be determined by the Administrative Agent on the basis of the arithmetic mean of such offered rates as determined by the Administrative Agent in accordance with its normal practice.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to Regulation D of the Board. Eurodollar Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D of the Board or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“subsidiary” means, with respect to any Person (the “parent”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

“Subsidiary” means any subsidiary of the Borrower.

“Subsidiary Guarantor” means each Subsidiary of the Borrower (other than an Excluded Foreign Subsidiary) that is party to the Guaranty Agreement.

“Swap Agreement” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments

only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or the Subsidiaries shall be a Swap Agreement. For the avoidance of doubt, agreements relating to accelerated share repurchase programs, and similar programs or arrangements, shall not be considered Swap Agreements.

“Swap Obligations” means all obligations, indebtedness, and liabilities of the Borrower or any Subsidiaries, or any one of them, to any Lender or any Affiliate of any Lender, arising pursuant to any Swap Agreements entered into by such Lender or Affiliate with the Borrower or any Subsidiaries, or any one of them, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including all fees, costs, and expenses (including attorneys’ fees and expenses) provided for in such Swap Agreements.

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

“Swingline Lender” means JPMorgan Chase Bank, National Association, in its capacity as lender of Swingline Loans hereunder.

“Swingline Loan” means a Loan made pursuant to Section 2.04.

“Synthetic Lease” has the meaning ascribed to such term in the definition of “EBITDA” hereunder.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“Total Indebtedness” means, at the time of determination, the sum of the following determined for Borrower and the Subsidiaries on a consolidated basis (without duplication): (a) the outstanding principal amount of all obligations for borrowed money (including the Loan Obligations and the Receivable Securitization Outstandings) including all such obligations evidenced by bonds, notes, debentures, or other similar instruments; plus (b) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (c) all obligations of such Person in respect of the deferred purchase price of property or services (excluding accounts payable incurred in the ordinary course of business); plus (d) all obligations of others secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed (provided that for purposes of this clause (d) the amount of any such Indebtedness shall be deemed not to exceed the higher of the market value or the book value of such assets), plus (e) all Capital Lease Obligations; plus (f) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty (but excluding obligations in respect of (1) trade or commercial letters of credit issued for the account of such Person in the ordinary course of business and (2) stand-by letters of credit issued to support obligations of such Person that are not of the type described in any of clauses (a) through (c) and (e) of this definition); plus (h) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances.

“Transactions” means the execution, delivery and performance by each Loan Party of the Loan Documents to which it is to be a party, the borrowing of Loans, the use of the proceeds thereof and the issuance of Letters of Credit hereunder.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, the Alternate Base Rate, or the Eurodollar Daily Floating Rate.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

Section 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “Revolving Loan”) or by Type (e.g., a “Eurodollar Loan”) or by Class and Type (e.g., a “Eurodollar Revolving Loan”). Borrowings also may be classified and referred to by Class (e.g., a “Revolving Borrowing”) or by Type (e.g., a “Eurodollar Borrowing”) or by Class and Type (e.g., a “Eurodollar Revolving Borrowing”).

Section 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or other modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if after the date hereof there occurs any change in GAAP or in the application thereof on the operation of any provision hereof and the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of such change in GAAP or in the application thereof (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

Section 1.05. Conversion of Foreign Currencies.

(a) Dollar Equivalents. The Administrative Agent may determine the Dollar Amount 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 of any Dollar Amount by the Borrower. The Administrative Agent may determine or redetermine the Dollar Amount of any amount on any date either in its own discretion or upon the request of any Lender, including the Dollar Amount of any Letter of Credit made or issued in any foreign currency.

(b) 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 Dollars, Australian Dollars, Euros, whole other currency or smaller denomination thereof to ensure amounts owing by any party hereunder or that otherwise need to be calculated or converted hereunder are expressed in whole Dollars, whole Australian Dollars, whole Euros, whole other currency or in whole smaller denomination thereof, as may be necessary or appropriate.

ARTICLE II.

The Credits

Section 2.01. Commitments. Subject to the terms and conditions set forth herein, each Revolving Lender agrees to make advances in Dollars to the Borrower from time to time during the Revolving Availability Period in an aggregate principal amount that will not result in such Lender's Revolving Exposure exceeding such Lender's Revolving Commitment. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans.

Section 2.02. Loans and Borrowings.

(a) Loans Made Ratably. Each Loan (other than a Swingline Loan) shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the Lenders ratably in accordance with their respective Commitments of the applicable Class. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Loan Types. Subject to Section 2.13, each Revolving Borrowing shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) Minimum Amounts; Limitation on Eurodollar Borrowings. At the commencement of each Interest Period for any Eurodollar Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000. At the time that each ABR Revolving Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000; provided that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Revolving Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.05(e). Each Swingline Loan shall be in an amount that is an integral multiple of \$500,000 and not less than \$1,000,000. Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of ten Eurodollar Borrowings outstanding.

(d) Limitation on Interest Periods. Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Revolving Maturity Date.

Section 2.03. Requests for Borrowings. To request a Revolving Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone (a) in the case of a Eurodollar Borrowing,

not later than 12:00 noon, Dallas, Texas time, three Business Days before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 12:00 noon, Dallas, Texas time on the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or telecopy to the Administrative Agent of a written Borrowing Request in the form attached hereto as Exhibit E or in such other form as may be approved by the Administrative Agent and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

(i) the aggregate amount of such Borrowing;

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;

(iv) in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(v) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.06.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Revolving Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04. Swingline Loans.

(a) Commitment. Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans denominated in Dollars to the Borrower from time to time during the Revolving Availability Period, in an aggregate principal amount at any time outstanding that will not result in (i) the aggregate principal amount of outstanding Swingline Loans exceeding \$65,000,000 or (ii) the sum of the total Revolving Exposures exceeding the total Revolving Commitments; provided that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Swingline Loans.

(b) Borrowing Procedure. To request a Swingline Loan, the Borrower shall notify the Administrative Agent of such request by telephone (confirmed by telecopy), not later than 12:00 noon, Dallas, Texas time, on the day of a proposed Swingline Loan. Each such notice shall be irrevocable and shall specify the requested date (which shall be a Business Day), amount of the requested Swingline Loan, and whether such Swingline Loan will accrue interest based on the Alternate Base Rate or the Eurodollar Daily Floating Rate. The Administrative Agent will promptly advise the Swingline Lender of any such notice received from the Borrower. The Swingline Lender shall make each Swingline Loan available to the Borrower by means of a credit to the general deposit account of the Borrower with the Swingline Lender or by wire transfer, automated clearing house debit or interbank transfer to such other account, accounts or Person designated by the Borrower (or, in the case of a Swingline Loan made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e), by remittance to the Issuing Bank) by 3:00 p.m., Dallas, Texas time, on the requested date of such Swingline Loan.

(c) Revolving Lender Participation in Swingline Loans. The Swingline Lender may by written notice given to the Administrative Agent not later than 10:00 a.m., Dallas, Texas time, on any Business Day require the Revolving Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which Revolving Lenders will participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Revolving Lender, specifying in such notice such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Revolving Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this Section 2.04(c) is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Revolving Lender shall comply with its obligation under this Section 2.04(c) by wire transfer of immediately available funds, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, mutatis mutandis, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Revolving Lenders. The Administrative Agent shall notify the Borrower of any participations in any Swingline Loan acquired pursuant to this Section 2.04(c), and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrower (or other party on behalf of the Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Revolving Lenders that shall have made their payments pursuant to this Section 2.04(c) and to the Swingline Lender, as their interests may appear; provided that any such payment so remitted shall be repaid to the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to the Borrower for any reason. The purchase of participations in a Swingline Loan pursuant to this Section 2.04(c) shall not relieve the Borrower of any default in the payment thereof.

Section 2.05. Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance of Letters of Credit for its own account, denominated in Dollars, Australian Dollars or Euros, in a form reasonably acceptable to the Administrative Agent and the Issuing Bank, at any time and from time to time during the Revolving Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the Issuing Bank) to the Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which date shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the currency in which such Letter of Credit will be denominated (which must be either Dollars, Australian Dollars or Euros), the

name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. Any Issuing Bank (other than JPMorgan Chase Bank, National Association and its affiliates) shall promptly notify the Administrative Agent in writing of any Letter of Credit issued for the account of the Borrower. If requested by the Issuing Bank, the Borrower also shall submit a letter of credit application on the Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) the LC Exposure shall not exceed a Dollar Amount equal to the total Revolving Commitments and (ii) the total Revolving Exposures shall not exceed the total Revolving Commitments.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit and (ii) the date that is five Business Days prior to the Revolving Maturity Date; provided that (A) any Letter of Credit with a one-year term may provide for the renewal thereof for additional one-year periods not to extend past the date in the preceding clause (ii) and (B) any Letter of Credit may have an expiration date that extends past the date in clause (ii) if the Borrower has, on the date of issuance of such Letter of Credit, deposited in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Issuing Bank for such Letter of Credit, an amount in Dollars equal to 105% of the LC Exposure for such Letter of Credit in accordance with the terms of Section 2.05(j).

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank or the Lenders, the Issuing Bank hereby grants to each Revolving Lender, and each Revolving Lender hereby acquires from the Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Percentage of the Dollar Amount of each LC Disbursement in Dollars made by the Issuing Bank and not reimbursed by the Borrower on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.05(d) in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Any participation funded under this Section 2.05(d) shall be converted to Dollar ABR Loans.

(e) Reimbursement. If the Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement in the currency in which such Letter of Credit is denominated not later than 12:00 noon, Dallas, Texas time (or with respect to LC Disbursements not denominated in Dollars, 12:00 noon, London, England time), on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., Dallas, Texas time (or with respect to LC Disbursements not denominated in Dollars, 12:00 noon, London, England time), on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 12:00 noon, Dallas, Texas time (or with respect to LC Disbursements not denominated in Dollars, 12:00 noon, London, England time), on (i) the Business Day that the Borrower receives such notice, if such notice is received prior to 12:00 noon, Dallas, Texas time (or with respect to LC Disbursements not denominated in Dollars, 12:00 noon, London, England time), on the day of receipt, or (ii) the Business Day immediately following the day that the Borrower receives such notice, if such

notice is not received prior to such time on the day of receipt; provided that the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Sections 2.03 or 2.04 that such payment be financed with an ABR Revolving Borrowing or Swingline Loan in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Revolving Borrowing or Swingline Loan. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Revolving Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Revolving Lender shall pay to the Administrative Agent in Dollars its Applicable Percentage of the Dollar Amount of the payment then due from the Borrower, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, mutatis mutandis, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the Issuing Bank the amounts so received by it from the Revolving Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this Section 2.05(e), the Administrative Agent shall distribute such payment to the Issuing Bank or, to the extent that Revolving Lenders have made payments pursuant to this Section 2.05(e) to reimburse the Issuing Bank, then to such Lenders and the Issuing Bank as their interests may appear. Any payment made by a Revolving Lender pursuant to this Section 2.05(e) to reimburse the Issuing Bank for any LC Disbursement (other than the funding of ABR Revolving Loans or a Swingline Loan as contemplated above) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement. After receipt of any payments from the Revolving Lenders under this Section 2.05(e), the Borrower's obligation to reimburse such LC Disbursement, if originally denominated in a currency other than Dollars, shall convert to a Dollar denominated obligation in a Dollar Amount calculated as of date the payments by the Revolving Lenders are received and any future payments by the Borrower in respect thereof shall be made in Dollars.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Bank, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank; provided that the foregoing shall not be construed to excuse the Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Bank (as finally determined by a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with

respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Bank shall promptly notify the Administrative Agent and the Borrower by telephone (confirmed by telecopy) of such demand for payment and whether the Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the Issuing Bank and the Revolving Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If the Issuing Bank shall make any LC Disbursement, then, unless the Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Revolving Loans; provided that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.12 (c) shall apply. Interest accrued pursuant to this Section 2.05(h) shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to paragraph (e) of this Section to reimburse the Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement of the Issuing Bank. The Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of the Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.11(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of the Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If any Event of Default exists, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in Dollars equal to the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in clause (h) or (i) of Article VIII. Each such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrower under this Agreement and the Borrower will, in connection therewith, execute and deliver such security

and pledge agreements in form and substance satisfactory to the Administrative Agent which the Administrative Agent may, in its discretion, require. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other Obligations and the Borrower will, in connection therewith, execute and deliver such security and pledge agreements in form and substance satisfactory to the Administrative Agent which the Administrative Agent may, in its discretion, require. If the Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after all Events of Default have been cured or waived.

Section 2.06. Funding of Borrowings.

(a) By Lenders. Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds in Dollars by 12:00 noon, Dallas, Texas time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swingline Loans shall be made as provided in Section 2.04. The Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account of the Borrower maintained with the Administrative Agent or by wire transfer, automated clearing house debit or interbank transfer to such other account, accounts or Persons designated by the Borrower in the applicable Borrowing Request; provided that ABR Revolving Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e) shall be remitted by the Administrative Agent to the Issuing Bank.

(b) Fundings Assumed Made. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

Section 2.07. Interest Elections.

(a) Conversion and Continuation. Each Revolving Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may

elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurodollar Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section shall not apply to Swingline Borrowings, which may not be converted or continued.

(b) Delivery of Interest Election Request. To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by hand delivery or teletcopy to the Administrative Agent of a written Interest Election Request in the form of Exhibit F hereto and signed by the Borrower.

(c) Contents of Interest Election Request. Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02 and paragraph (f) of this Section:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurodollar Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Notice to the Lenders. Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) Automatic Conversion. If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing.

(f) Limitations on Election. Notwithstanding any contrary provision hereof, if an Event of Default exists and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) unless repaid, each Eurodollar Borrowing shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto. A Borrowing of any Class may not be converted to or continued as a Eurodollar Borrowing if after giving

effect thereto (i) the Interest Period therefor would commence before and end after a date on which any principal of the Loans of such Class is scheduled to be repaid and (ii) the sum of the aggregate principal amount of outstanding Eurodollar Borrowings of such Class with Interest Periods ending on or prior to such scheduled repayment date plus the aggregate principal amount of outstanding ABR Borrowings of such Class would be less than the aggregate principal amount of Loans of such Class required to be repaid on such scheduled repayment date.

Section 2.08. Termination and Reduction of Commitments.

(a) Termination Date. Unless previously terminated, the Revolving Commitments shall terminate on the Revolving Maturity Date.

(b) Optional Termination or Reduction. The Borrower may at any time terminate, or from time to time reduce, the Commitments of any Class; provided that (i) each reduction of the Commitments of any Class shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Borrower shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.10, the sum of the Revolving Exposures would exceed the total Revolving Commitments.

(c) Notice of Termination or Reduction. The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; provided that a notice of termination of the Revolving Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of any specified event, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such event shall not have occurred. Any termination or reduction of the Commitments of any Class shall be permanent. Each reduction of the Commitments of any Class shall be made ratably among the Lenders in accordance with their respective Commitments of such Class.

Section 2.09. Repayment of Loans; Evidence of Debt.

(a) Promise to Pay. The Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Revolving Lender the then unpaid principal amount of each Revolving Loan of such Lender on the Revolving Maturity Date, and (ii) to the Swingline Lender the then unpaid principal amount of each Swingline Loan on the Revolving Maturity Date.

(b) Lender Records. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) Administrative Agent Records. The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Class and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) Prima Facie Evidence. The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided 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 obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement. In the event of any conflict between the account and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records maintained by the Administrative Agent shall control in the absence of manifest error.

(e) Request for a Note. Any Lender may request that Loans of any Class made by it be evidenced by a promissory note. In such event, the Administrative Agent shall prepare a promissory note which the Borrower shall execute and deliver to the requesting Lender (or, if requested by such Lender, to such Lender and its registered assigns). Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.10. Prepayment of Loans.

(a) Optional Prepayment. The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, without prepayment penalty or premium subject to the requirements of this Section and Section 2.15.

(b) Mandatory Prepayment of Revolving Loans. In the event and on such occasion that the sum of the Revolving Exposures exceeds the total Revolving Commitments, the Borrower shall prepay Revolving Borrowings or Swingline Borrowings (or, if no such Borrowings are outstanding, deposit cash collateral in an account with the Administrative Agent pursuant to Section 2.05(j)) in an aggregate amount equal to such excess.

(c) Selection of Borrowing to be Prepaid. Prior to any optional or mandatory prepayment of Borrowings hereunder, the Borrower shall select the Borrowing or Borrowings to be prepaid and shall specify such selection in the notice of such prepayment pursuant to paragraph (d) of this Section.

(d) Notice of Prepayment; Application of Prepayments. The Borrower shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone (confirmed by telecopy) of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing, not later than 12:00 noon, Dallas, Texas time, three Business Days before the date of prepayment, (ii) in the case of prepayment of an ABR Borrowing or a Swingline Loan, not later than 12:00 noon, Dallas, Texas time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment; provided that, if a notice of optional prepayment is given in connection with a conditional notice of termination of the Revolving Commitments as contemplated by Section 2.08, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.08; provided, further, that the Borrower may rescind any such notice if such notice stated in writing that it was conditioned on the occurrence of a specified event and such event shall not have occurred. Promptly following receipt of any such notice (other than a notice relating solely to Swingline Loans), the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02, except as necessary to apply fully the required amount of a mandatory prepayment. Each prepayment of a Borrowing shall be applied ratably to the

Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.12.

Section 2.11. Fees.

(a) Commitment Fees. The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the Applicable Rate on the average daily unused amount of each Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which such Commitment terminates. Accrued commitment fees shall be payable in arrears on the date which is three Business Days following the last day of each March, June, September and December of each year and on the date on which the Revolving Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). For purposes of computing commitment fees with respect to Revolving Commitments, a Revolving Commitment of a Lender shall be deemed to be used to the extent of the outstanding Revolving Loans and LC Exposure of such Lender (and the Swingline Exposure of such Lender shall be disregarded for such purpose).

(b) Letter of Credit Fees. The Borrower agrees to pay in Dollars (i) to the Administrative Agent for the account of each Revolving Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate as interest on Eurodollar Revolving Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Revolving Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to the Issuing Bank a fronting fee, which shall accrue at the rate of 0.125% per annum on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Revolving Commitments and the date on which there ceases to be any LC Exposure, as well as the Issuing Bank's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees shall be payable on the third Business Day following the last day of each March, June, September and December of each year commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Revolving Commitments terminate and any such fees accruing after the date on which the Revolving Commitments terminate shall be payable on demand. Fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Revolving Commitments terminate and any such fees accruing after the date on which the Revolving Commitments terminate shall be payable on demand. Any other fees payable to the Issuing Bank pursuant to this paragraph shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) Administrative Agent Fees. The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed in writing upon between the Borrower and the Administrative Agent.

(d) Payment of Fees. All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to the Issuing Bank, in the case of fees

payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders entitled thereto. Fees paid shall not be refundable under any circumstances.

Section 2.12. Interest.

(a) ABR Borrowings. The Revolving Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) Eurodollar Borrowings. The Loans comprising each Eurodollar Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Swingline Borrowings. In accordance with Section 2.04(b), the Borrower may elect for a Swingline Loan to bear interest at either (a) the Alternate Base Rate plus the Applicable Rate or (b) the Eurodollar Daily Floating Rate plus the Applicable Rate.

(d) Default Interest. Notwithstanding the foregoing, subject to Section 10.13, if any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Revolving Loans as provided in paragraph (a) of this Section. In addition, if any Event of Default exists and the Required Lenders request, the outstanding principal amount of the Loans shall bear interest, after as well as before judgment, as a rate per annum equal to 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section.

(e) Payment of Interest. Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Revolving Commitments; provided that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Revolving Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurodollar Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) Computation. All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Adjusted LIBO Rate and Eurodollar Daily Floating Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

Section 2.13. Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurodollar Borrowing:

(a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period; or

(b) the Administrative Agent is advised by the Required Lenders that they have determined in good-faith that the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, or teletype or other electronic transmission approved by the Administrative Agent as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing shall be ineffective and (ii) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing shall be made as an ABR Borrowing. The Required Lenders shall provide the Borrower with documentation which reasonably supports their determination referenced in the foregoing clause (b) promptly upon the Borrower's request to the Administrative Agent therefor.

Section 2.14. Increased Costs.

(a) Change In Law. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or the Issuing Bank; or

(ii) impose on any Lender or the Issuing Bank or the London interbank market any other condition affecting this Agreement or Eurodollar Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or the Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or the Issuing Bank hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Adequacy. If any Lender or the Issuing Bank determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Bank's capital or on the capital of such Lender's or the Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the Issuing Bank, to a level below that which such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Bank's policies and the policies of such Lender's or the Issuing Bank's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company for any such reduction suffered.

(c) Delivery of Certificate. A certificate of a Lender or the Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or the Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or the

Issuing Bank, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Limitation on Compensation. Failure or delay on the part of any Lender or the Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or the Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or the Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 90 days prior to the date that such Lender or the Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 90-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 2.15. Break Funding Payments. In the event of (a) the payment of any principal of any Eurodollar Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Revolving Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.10(d) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.18, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

Section 2.16. Taxes.

(a) Gross Up. Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes; provided that if the Borrower shall be required to deduct any Indemnified Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, Lender or Issuing Bank (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) Payment of Other Taxes. In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Tax Indemnification. The Borrower shall indemnify the Administrative Agent, each Lender and the Issuing Bank, within 10 Business Days after written demand therefor, for the full

amount of any Indemnified Taxes paid by the Administrative Agent, such Lender or the Issuing Bank, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder or under any other Loan Document (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or the Issuing Bank, stating the amount of any Indemnified Taxes so paid or payable by the Lender, Issuing Bank or Administrative Agent and describing the basis for the indemnification claim with reasonably supporting documentation or by the Administrative Agent on its own behalf or on behalf of a Lender or the Issuing Bank, shall be conclusive absent manifest error.

(d) Receipts. As soon as practicable after any payment of Indemnified Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding tax under applicable law with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower or Administrative Agent, as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.16(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. person (within the meaning of Section 7701(a)(3) of the Code) shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(II) executed originals of IRS Form W-8ECI;

(III) in the case of a Foreign 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 I-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed originals of IRS Form W-8BEN; or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.16 (including by the payment of additional amounts pursuant to this Section 2.16), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

Section 2.17. Payments Generally; Pro Rata Treatment; Sharing of Set-Offs; Proceeds of Guaranty Agreement.

(a) Payments Generally. The Borrower shall make each payment required to be made by it hereunder or under any other Loan Document (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.14, 2.15 or 2.16, or otherwise) prior to the time expressly required hereunder or under such other Loan Document for such payment (or, if no such time is expressly required, prior to 12:00 noon, Dallas, Texas time), on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent pursuant to the payment instructions provided by the Administrative Agent, except payments to be made directly to the Issuing Bank or Swingline Lender as expressly provided herein and except that payments pursuant to Sections 2.14, 2.15, 2.16 and 10.03 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made to the Persons specified therein. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment under any Loan Document shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. Except as specified in Section 2.05 with respect to Letters of Credit issued in a currency other than Dollars, all payments under each Loan Document shall be made in Dollars.

(b) Pro Rata Application. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) Sharing of Set-offs. If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Revolving Loans or participations in LC Disbursements or Swingline Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Revolving Loans and participations in LC Disbursements and Swingline Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Revolving Loans and participations in LC Disbursements and Swingline Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans and participations in LC Disbursements and Swingline Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Payments from Borrower Assumed Made. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Bank hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Bank, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(e) Set-Off Against Amounts Owed Lenders. If any Lender shall fail to make any payment required to be made by it pursuant to this Agreement or any other Loan Document, then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(f) Application of Proceeds of Guaranty Agreement. All amounts received under the Guaranty Agreement shall first be applied as payment of the accrued and unpaid fees of the Administrative Agent hereunder and then to all other unpaid or unreimbursed Obligations (including reasonable attorneys' fees and expenses) owing to the Administrative Agent in its capacity as Administrative Agent only and then any remaining amount of such proceeds shall be distributed:

(i) first, to the Lenders, pro rata in accordance with the respective unpaid amounts of Loan Obligations, until all the Loan Obligations have been Fully Satisfied;

(ii) second, to the Secured Parties, pro rata in accordance with the respective unpaid amounts of Swap Obligations relating to any interest rate, currency or commodity Swap Agreement, until all such Swap Obligations have been Fully Satisfied;

(iii) third, to the Secured Parties, pro rata in accordance with the respective unpaid amounts of the Deposit Obligations, until all Deposit Obligations have been Fully Satisfied; and

(iv) fourth, to the Secured Parties, pro rata in accordance with the respective unpaid amounts of the remaining Obligations.

(g) Noncash Proceeds. Notwithstanding anything contained herein to the contrary, if the Administrative Agent shall ever acquire any collateral through foreclosure or by a conveyance in lieu of foreclosure or by retaining any of the collateral in satisfaction of all or part of the Obligations or if any proceeds received by the Administrative Agent to be distributed and shared pursuant to this Section 2.17 are in a form other than immediately available funds, the Administrative Agent shall not be required to remit any share thereof under the terms hereof and the Secured Parties shall only be entitled to their undivided interests in the collateral or noncash proceeds as determined by paragraph (f) of this Section 2.17. The Secured Parties shall receive the applicable portions (in accordance with the foregoing paragraph (f)) of any immediately available funds consisting of proceeds from such collateral or proceeds of such noncash proceeds so acquired only if and when received by the Administrative Agent in connection with the subsequent disposition thereof. While any collateral or other property to be shared pursuant to this Section is held by the Administrative Agent pursuant to this clause (g), the Administrative Agent shall hold such collateral or other property for the benefit of the Secured Parties and all matters relating to the management, operation, further disposition or any other aspect of such collateral or other property shall be resolved by the agreement of the Required Lenders.

(h) Return of Proceeds. If at any time payment, in whole or in part, of any amount distributed by the Administrative Agent hereunder is rescinded or must otherwise be restored or returned by the Administrative Agent as a preference, fraudulent conveyance, or otherwise under any bankruptcy, insolvency, or similar law, then each Person receiving any portion of such amount agrees, upon demand, to return the portion of such amount it has received to the Administrative Agent.

(i) Notice of Amount of Obligations. Prior to making any distribution under clause (f) of this Section, the Administrative Agent shall request each Lender to provide the Administrative Agent with a statement of the amounts of Swap Obligations and Deposit Obligations then owed to such Lender and its Affiliates. A Lender may provide such information to the Administrative Agent at any time and the Administrative Agent may also request such information at any time. If a Lender does not provide the Administrative Agent a statement of the amount of any such Obligations within three (3) Business Days of the date requested, the Administrative Agent may make distributions under clause (f) thereafter and the amount of Swap Obligations and Deposit Obligations then owed to such Lender and its Affiliates shall conclusively be deemed to be zero for purposes of such distributions. Neither the Lender nor its Affiliates shall have a right to share in such distributions with respect to any Swap Obligations or Deposit Obligations owed to it. If a Lender shall thereafter provide the Administrative Agent a statement of the amount of the Swap Obligations and Deposit Obligations then owed to such Lender and its Affiliates, any distribution under clause (b) made after the notice is received by the Administrative Agent shall take into account the amount of the Swap Obligations and/or Deposit Obligations then owed. No Lender nor any Affiliate of a Lender that has not provided the statement of the amount of the Swap Obligations or Deposit Obligations owed under this clause (i) shall be entitled to share retroactively in any distribution made prior to the date when such statement was provided. In furtherance of the provisions of Article IX, the Administrative Agent shall in all cases be fully protected

in making distributions hereunder in accordance with the statements of the Swap Obligations and Deposit Obligations received from the Lenders under this clause (i).

Section 2.18. Mitigation Obligations; Replacement of Lenders.

(a) Mitigation. If any Lender requests compensation under Section 2.14, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 2.16, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement. If any Lender requests compensation under Section 2.14, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, or if any Lender defaults in its obligation to fund Loans hereunder, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 10.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent (and, if a Revolving Commitment is being assigned, the Issuing Bank and Swingline Lender), which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.14 or payments required to be made pursuant to Section 2.16, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 2.19. Increase of Revolving Commitments. By written notice sent to the Administrative Agent (which the Administrative Agent shall promptly distribute to the Lenders), the Borrower may request an increase of the aggregate amount of the Revolving Commitments (i) by an aggregate amount equal to any integral multiple of \$5,000,000 and not less than \$10,000,000 and (ii) by an aggregate amount for all increases not to exceed \$100,000,000; provided that (i) no Default shall have occurred and be continuing, (ii) the aggregate amount of the Revolving Commitments shall not have been reduced, nor shall the Borrower have given notice of any such reduction under Section 2.08(b) which has not been revoked by the time of the Borrower's notice under this Section 2.19, and (iii) the aggregate amount of the Revolving Commitments shall not previously have been increased pursuant to this Section 2.19 more than three (3) times. If one or more of the Lenders is not increasing its Revolving Commitment, then, with notice to the Administrative Agent and the other Lenders, another one or more financial institutions, each as approved by the Borrower and the Administrative Agent (which approval shall not be unreasonably withheld) (a "New Lender"), may commit to provide an amount equal to the aggregate amount of the requested increase that will not be provided by the existing Lenders (the "Increase Amount"); provided, that the Revolving Commitment of each New Lender shall be at least

\$5,000,000 and the maximum number of New Lenders shall be three (3). Upon receipt of notice from the Administrative Agent to the Lenders and the Borrower that the Lenders, or sufficient Lenders and New Lenders, have agreed to commit to an aggregate amount equal to the Increase Amount (or such lesser amount as the Borrower shall agree, which shall be at least \$10,000,000 and an integral multiple of \$5,000,000 in excess thereof), then: provided that no Default exists at such time or after giving effect to the requested increase, the Borrower, the Administrative Agent and the Lenders willing to increase their respective Revolving Commitments and the New Lenders (if any) shall execute and deliver an Increased Commitment Supplement (herein so called) in the form attached hereto as Exhibit "D". If all existing Revolving Lenders shall not have provided their pro rata portion of the requested increase, then after giving effect to the requested increase the outstanding Revolving Loans may not be held pro rata in accordance with the new Revolving Commitments. In order to remedy the foregoing, on the effective date of the Increased Commitment Supplement the Revolving Lenders shall make advances among themselves, such advances to be in amounts sufficient so that after giving effect thereto, the Revolving Loans shall be held by the Revolving Lenders pro rata according to their respective Revolving Commitments. The advances made by a Revolving Lender under this Section 2.19 shall be deemed to be a purchase of a corresponding amount of the Revolving Loans of one or more of the Revolving Lenders who received the advances. The Revolving Commitments of the Revolving Lenders who do not agree to increase their Revolving Commitments cannot be reduced or otherwise changed pursuant to this Section 2.19. No Lender is obligated to increase its Revolving Commitment under the provisions of this Section 2.19.

Section 2.20. Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Suspension of Commitment Fees. Fees shall cease to accrue on the unfunded portion of the Revolving Commitment of such Defaulting Lender pursuant to Section 2.11(a);

(b) Suspension of Voting. Such Defaulting Lender shall not have the right to vote on any issue on which voting is required (other than to the extent expressly provided in Section 10.02(b)) and the Commitment and Revolving Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder;

(c) Participation Exposure. If any Swingline Exposure or LC Exposure exists at the time a Lender becomes a Defaulting Lender then:

(i) all or any part of the Swingline Exposure and LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent that (x) the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrower shall have otherwise notified the Administrative Agent at such time, the Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), (y) the sum of all non-Defaulting Lenders' Revolving Exposures plus such Defaulting Lender's Swingline Exposure and LC Exposure does not exceed the total of all non-Defaulting Lenders' Revolving Commitments and (z) such reallocation does not cause the Revolving Exposure of any non-Defaulting Lender to exceed such non-Defaulting Lender's Revolving Commitment;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Administrative Agent (x) first, prepay such Swingline Exposure and (y) second, cash collateralize, for the benefit of the Issuing Bank, the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after

giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.05(j) for so long as such LC Exposure is outstanding;

(iii) if the Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.11(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Sections 2.11(a) and 2.11(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the Issuing Bank or any Lender hereunder, all letter of credit fees payable under Section 2.11(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Bank until such LC Exposure is reallocated and/or cash collateralized; and

(d) Suspension of Swingline Loans. So long as such Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and the Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrower in accordance with Section 2.20(c), and participating interests in any such newly made Swingline Loan or newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.20(c)(i) (and such Defaulting Lender shall not participate therein).

If (i) a Bankruptcy Event with respect to the parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (ii) the Issuing Bank or the Swingline Lender has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, the Issuing Bank shall not be required to issue, amend or increase any Letter of Credit and the Swingline Lender shall not be required to fund any Swingline Loan, unless the Issuing Bank or the Swingline Lender, as the case may be, shall have entered into arrangements with the Borrower or such Lender, satisfactory to the Issuing Bank or the Swingline Lender, as the case may be, to defease any risk in respect of such Lender hereunder.

In the event that each of the Administrative Agent, the Borrower, the Issuing Bank and the Swingline Lender agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure and LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Commitment and on the date of such readjustment such Lender shall purchase at par such of the Loans of the other Lenders (other than Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

ARTICLE III.

Representations and Warranties

In order to induce the Administrative Agent, the Issuing Bank and the Lenders to enter into this Agreement and to make Loans and issue Letters of Credit hereunder, the Borrower represents and warrants to the Administrative Agent, the Issuing Bank and the Lenders that:

Section 3.01. Organization; Powers. Each of the Borrower and its Material Subsidiaries is (i) duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) has all requisite power and authority to carry on its business as now conducted, and (iii) is qualified to do business, and is in good standing, in every jurisdiction where such qualification is required except, in the case of (ii) or (iii) above, where the failure to do so qualify could not reasonably be expected to result in a Material Adverse Effect.

Section 3.02. Authorization; Enforceability. The Transactions to be entered into by each Loan Party are within such Loan Party's corporate, partnership or limited liability company powers (as applicable) and have been duly authorized by all necessary corporate, partnership or limited liability action (as applicable) and, if required, all stockholder action. This Agreement has been duly executed and delivered by the Borrower and constitutes, and each other Loan Document to which any Loan Party is to be a party, when executed and delivered by such Loan Party, will constitute, a legal, valid and binding obligation of the Borrower or such Loan Party (as the case may be), enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03. Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other Person, except such as have been obtained or made and are in full force and effect, (b) will not violate any applicable law or regulation or the charter, bylaws or other organizational documents of the Borrower or any of its Subsidiaries or any order of any Governmental Authority, (c) will not violate or result in a default under any material indenture, agreement or other instrument binding upon the Borrower or any of its Subsidiaries or its assets (including the documentation governing the Senior Unsecured Notes), or give rise to a right thereunder to require any payment to be made by the Borrower or any of its Subsidiaries, and (d) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Subsidiaries.

Section 3.04. Financial Condition; No Material Adverse Change.

(a) The Borrower has heretofore publicly filed with the Securities and Exchange Commission via the EDGAR filing system its consolidated balance sheet and statements of income, stockholders equity and cash flows (i) as of and for the fiscal year ended December 31, 2010, reported on by KPMG LLP, independent public accountants, and (ii) as of and for the fiscal quarter and the portion of the fiscal year ended June 30, 2011, certified by its chief financial officer. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) Except as disclosed in the financial statements referred to above or the notes thereto or in the Information Memorandum and except for the Disclosed Matters, after giving effect to the Transactions, the Borrower nor its Subsidiaries has, as of the Effective Date, any material contingent liabilities, unusual long-term commitments or unrealized losses.

(c) Since December 31, 2010, there has been no material adverse change in the business, operations, affairs, financial condition, assets or properties of the Borrower and the Subsidiaries, taken as a whole.

Section 3.05. Properties.

(a) Each of the Borrower and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property necessary or material to its business in the ordinary course, except for such defects in title that could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Each of the Borrower and its Subsidiaries owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property used in its business in the ordinary course, and the use thereof by the Borrower and its Subsidiaries does not infringe upon the rights of any other Person, except as, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(c) As of the Effective Date, neither the Borrower nor any of its Subsidiaries has received notice of, or has knowledge of, any pending or contemplated condemnation proceeding affecting any fee-owned real property or any sale or disposition thereof in lieu of condemnation.

Section 3.06. Litigation and Environmental Matters.

(a) Except for the Disclosed Matters, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its Subsidiaries (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than the Disclosed Matters) or (ii) that involve any of the Loan Documents or the Transactions.

(b) Except for the Disclosed Matters and except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any reasonable basis for any Environmental Liability.

(c) The Disclosed Matters, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. Since the Effective Date, there has been no change in the status of the Disclosed Matters that, individually or in the aggregate, has resulted in, or materially increased the likelihood of, a Material Adverse Effect.

Section 3.07. Compliance with Laws and Agreements. Each of the Borrower and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except in instances where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Default has occurred and is continuing.

Section 3.08. Investment Company Status. Neither the Borrower nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.09. Taxes. Each of the Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate

proceedings and for which the Borrower or such Subsidiary, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

Section 3.10. ERISA. As of the Effective Date, (a) no ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect and (b) the present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than \$100,000,000 the fair market value of the assets of all such underfunded Plans.

Section 3.11. Disclosure. The Borrower has disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which the Borrower or any of its Subsidiaries is subject, and all other matters known to any of them, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. Neither the Information Memorandum nor any of the other reports, financial statements, certificates or other information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to any information consisting of forward-looking statements, estimates projections and projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time, it being understood that such forward-looking statements, estimates, projections and projected financial information are subject to significant uncertainties and contingencies, many of which are beyond the control of the Borrower or any of its Subsidiaries and no assurance can be given that such forward-looking statements, estimates, projections and projected financial information will be realized.

Section 3.12. Material Subsidiaries. As of the Effective Date, the Borrower has no Material Subsidiaries other than those listed on Schedule 3.12 hereto. As of the Effective Date, Schedule 3.12 sets forth the jurisdiction of incorporation or organization of each such Material Subsidiary, the percentage of Borrower's ownership of the outstanding Equity Interests of each Material Subsidiary directly owned by Borrower, and the percentage of each Material Subsidiary's ownership of the outstanding Equity Interests of each other Material Subsidiary. All of the outstanding Equity Interest of Borrower and each Material Subsidiary have been validly issued, are fully paid, and are nonassessable. Except as permitted to be issued or created pursuant to the terms hereof (including stock options or other equity based awards granted to officers, directors, employees and consultants of the Company or any Subsidiary) or as reflected on Schedule 3.12, there are no outstanding subscriptions, options, warrants, calls, or rights (including preemptive rights) to acquire, and no outstanding securities or instruments convertible into any Equity Interests of the Borrower or any Material Subsidiary.

Section 3.13. Insurance. Each of the Borrower and the Subsidiaries maintain with financially sound and reputable insurers, insurance with respect to its properties and business against such casualties and contingencies and in such amounts as are usually carried by businesses engaged in similar activities as the Borrower and the Subsidiaries and located in similar geographic areas in which the Borrower and the Subsidiaries operate

Section 3.14. Labor Matters. As of the Effective Date, except where non-compliance cannot reasonably be expected to have a Material Adverse Effect, (i) the hours worked by and payments made to employees of the Borrower and the Subsidiaries have not been in violation of the Fair Labor Standards

Act or any other applicable Federal, state, local or foreign law dealing with such matters, and (ii) all payments due from the Borrower or any Subsidiary, or for which any claim may be made against the Borrower or any Subsidiary, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Borrower or such Subsidiary. As of the Effective Date, there are no strikes, lockouts or slowdowns against the Borrower or any Subsidiary pending or, to the knowledge of the Borrower, threatened which could reasonably be expected to result in a Material Adverse Effect. The consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which the Borrower or any Subsidiary is bound.

Section 3.15. Solvency. Immediately after the consummation of the Transactions to occur on the Effective Date and immediately following the making of each Loan made on the Effective Date and after giving effect to the application of the proceeds of such Loans, (a) the fair value of the assets of each Loan Party, at a fair valuation, will exceed its debts and liabilities, subordinated, contingent or otherwise; (b) the present fair saleable value of the property of each Loan Party will be greater than the amount that will be required to pay the probable liability of its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (c) each Loan Party will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (d) each Loan Party will not have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted following the Effective Date. As used in this Section 3.15, the term “fair value” means the amount at which the applicable assets would change hands between a willing buyer and a willing seller within a reasonable time, each having reasonable knowledge of the relevant facts, neither being under any compulsion to act, with equity to both and “present fair saleable value” means the amount that may be realized if the applicable company’s aggregate assets are sold with reasonable promptness in an arm’s length transaction under present conditions for the sale of a comparable business enterprises.

Section 3.16. Margin Securities. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations U or X of the Board of Governors of the Federal Reserve System), and, except for the repurchases of the Borrower’s capital stock in accordance with the limitations in Section 5.10 and Section 6.08, no part of the proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying margin stock.

ARTICLE IV.

Conditions

Section 4.01. Conditions of Initial Credit Extension. The effectiveness of this Agreement to amend and restate the Prior Credit Agreement and to obligate the Lenders to make Loans and the Issuing Bank to issue Letter of Credit hereunder is subject to the satisfaction of the following conditions:

(a) Execution and Delivery of This Agreement. The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include telecopy or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.

(b) Guaranty Agreement. The Administrative Agent (or its counsel) shall have received from each Subsidiary Guarantor either (i) a counterpart of the Guaranty Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include

teletype or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of the Guaranty Agreement.

(c) Prior Credit Agreement. The Administrative Agent shall have received evidence that all unpaid interest and fees accrued under the Prior Credit Agreement through the Effective Date and all other fees, expenses and other charges outstanding thereunder (including any amounts due under the Prior Credit Agreement arising as a result of the termination of all interest periods thereunder on the Effective Date) shall have been paid or shall be paid with the proceeds of the initial Loans hereunder.

(d) Legal Opinion. The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of counsel for the Loan Parties covering the matters set forth in Sections 3.01, 3.02 and 3.03 of this Agreement, such other matters relating to the Loan Parties, the Loan Documents or the Transactions as the Required Lenders shall reasonably request. The Loan Parties hereby request such counsel to deliver such opinions.

(e) Corporate Authorization Documents. The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of each Loan Party, the authorization of the Transactions and any other legal matters relating to the Loan Parties, the Loan Documents or the Transactions, all in form and substance satisfactory to the Administrative Agent and its counsel.

(f) Closing Certificate. The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the President, a Vice President or a Financial Officer of the Borrower, confirming compliance with the conditions set forth in paragraphs (a), (b) and (c) of Section 4.02.

(g) Fees. The Administrative Agent, the Arrangers and the Lenders shall have received all fees and other amounts due and payable pursuant to any fee letter between the Borrower and any Arranger or Lender, this Agreement or any other Loan Document on or prior to the Effective Date, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder or under any other Loan Document or the Administrative Agent, the Arrangers and the Lenders shall have received evidence that such fees and amounts shall be paid with the proceeds of the initial Loans hereunder.

(h) Exiting Lenders. The Administrative Agent shall have received those certain Assignment and Assumption Agreements dated as of the date hereof executed by RBS Citizens, N.A. and UBS Loan Finance LLC.

The Administrative Agent shall notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 10.02) at or prior to 3:00 p.m., Dallas, Texas time, on November 1, 2011 (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

Section 4.02. Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of the Issuing Bank to issue, amend, renew or extend any Letter of Credit, is subject to receipt of the request therefor in accordance herewith and to the satisfaction of the following conditions:

(a) Representations and Warranties. The representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable, except to the extent such representations and warranties specifically relate to any earlier date in which case such representations and warranties shall have been true and correct as of such earlier date;

(b) Revolving Commitments. At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, the total Revolving Exposure of all Lenders shall not exceed the total Revolving Commitments of all Lenders; and

(c) No Default. At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Default shall exist.

Each Borrowing (other than in an Interest Election Request to convert an ABR Loan to a different Type or to continue a Eurodollar Loan) and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a), (b) and (c) of this Section.

Section 4.03. Effective Date Advances and Adjustments. On the Effective Date, the aggregate amount of the revolving commitments under the Prior Credit Agreement is being increased hereunder but not all Lenders are participating in the increase in the Revolving Commitments based on their pro rata percentages established under the Prior Credit Agreement. As a result, any loans outstanding under the Prior Credit Agreement which are continued hereunder will not be held pro rata by the Revolving Lenders in accordance with their Applicable Percentages determined hereunder. To remedy the foregoing, on the Effective Date, upon fulfillment of the conditions in Section 4.01 and if there are any loans outstanding under the Prior Credit Agreement, the Revolving Lenders shall make advances among themselves (which may be through the Administrative Agent) so that after giving effect thereto the Revolving Loans will be held by the Revolving Lenders, pro rata in accordance with their respective Applicable Percentages hereunder. The advances made on the Effective Date under this Section by each Revolving Lender whose Applicable Percentage is new or has increased under this Agreement (as compared to its applicable percentage under the Prior Credit Agreement) shall be deemed to be a purchase of a corresponding amount of the Revolving Loans of the Revolving Lender or Revolving Lenders whose Applicable Percentage has decreased (as compared to its applicable percentage under the Prior Credit Agreement). The advances made under this Section shall be Eurodollar Loans made under each Revolving Lender's Revolving Commitment unless another type of Borrowing is selected by the Borrower to be applicable thereto.

ARTICLE V.

Affirmative Covenants

Until the Loan Obligations have been Fully Satisfied, the Borrower covenants and agrees with the Administrative Agent, the Issuing Bank and the Lenders that:

Section 5.01. Financial Statements and Other Information. The Borrower will furnish to the Administrative Agent:

(a) Annual Audit. Within 90 days after the end of each fiscal year of the Borrower, its (i) audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures

for the previous fiscal year, and (ii) a report by KPMG LLP or other independent public accountants of recognized national standing (without a “going concern” or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied;

(b) Quarterly Financial Statements. Within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower, its unaudited consolidated balance sheet and related statements of operations, stockholders’ equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) Compliance Certificate. Concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate in substantially the form of Exhibit B hereto of a Financial Officer of the Borrower (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) certifying that, as of the date of such certificate, the total Revolving Exposure of all Lenders does not exceed the total Revolving Commitments of all Lenders, (iii) setting forth reasonably detailed calculations demonstrating compliance with Article VII, and (iv) stating whether any change in GAAP or in the application thereof has occurred since the date of the Borrower’s audited financial statements referred to in Section 3.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate (notwithstanding the foregoing, the certificate described by this clause (c) for the fiscal quarter ended September 30, 2011 shall be delivered on or before November 30, 2011);

(d) Debt Rating. Promptly upon receipt thereof, written notice of any downgrade in any rating of the Borrower’s Indebtedness by Moody’s, S&P or any other rating agency that issues rating for the Borrower’s Indebtedness;

(e) Senior Unsecured Notes. Promptly after such delivery or receipt, copies of any financial or other report or notice delivered to, or received from, a holder of a Senior Unsecured Note, which report or notice has not otherwise been delivered to the Administrative Agent hereunder; and

(f) Additional Information. Promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Borrower or any Subsidiary, or compliance with the terms of any Loan Document, as the Administrative Agent or any Lender may reasonably request.

Documents required to be delivered pursuant to clause (a) or (b) of this Section 5.01 (to the extent any such documents are included in reports otherwise filed with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission) shall be deemed to have been delivered to the Administrative Agent and each Lender on the date the Borrower has filed such reports with the Securities and Exchange Commission via the EDGAR filing system and the Borrower has notified the Administrative Agent in writing of such posting (which notification may be included in the certificate described in 5.01(c) above).

Section 5.02. Notices of Material Events. The Borrower will furnish to the Administrative Agent and each Lender prompt written notice of the following:

(a) Default. The occurrence of any Default;

(b) Notice of Proceedings. The filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Affiliate thereof that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;

(c) ERISA Event. The occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding \$1,000,000; and

(d) Material Adverse Effect. Any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03. Existence; Conduct of Business. The Borrower will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its (a) legal existence (except with respect to a Subsidiary which is not a Material Subsidiary where such failure could not be reasonably expected to result in Material Adverse Effect) and (b) the rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names except where the failure to preserve, renew or keep in force any such right, license, permit, privilege, franchise, patent or copyright could not be reasonably expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, sale, consolidation, liquidation or dissolution permitted under Section 6.03 or Section 6.05.

Section 5.04. Payment of Obligations. The Borrower will, and will cause each of its Subsidiaries to, pay its Indebtedness and other obligations, including Tax liabilities, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP, (c) such contest effectively suspends collection of the contested obligation and the enforcement of any Lien securing such obligation and (d) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

Section 5.05. Maintenance of Properties. The Borrower will, and will cause each of its Subsidiaries to, keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted.

Section 5.06. Insurance. The Borrower will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurance companies insurance (or any self-insurance compatible with the following standard) in such amounts (with no greater risk retention) and against such risks as are customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations. The Borrower will furnish to the Lenders, upon request of the Administrative Agent, information in reasonable detail as to the insurance so maintained.

Section 5.07. Guarantee and Secure Loans Equally.

(a) If any Subsidiary (other than an Excluded Foreign Subsidiary) of the Borrower shall guarantee the obligations of the Borrower under the Senior Unsecured Notes or under any other agreement creating or evidencing Indebtedness in excess of \$50,000,000, the Borrower shall cause such Subsidiary to guarantee the Obligations equally and ratably with any and all other obligations guaranteed by such Subsidiary pursuant to documentation acceptable to the Administrative Agent.

(b) If the Borrower shall create, assume or permit to exist any Lien upon any of its property or assets, or permit any Subsidiary (other than an Excluded Foreign Subsidiary) to create, assume, or permit any Lien upon any of its property or assets, whether now owned or hereafter acquired, other than those Liens permitted by Section 6.02, the Borrower shall promptly cause the Obligations to be secured equally and ratably with (and with the same priority of) any and all other Indebtedness so secured by the Borrower or such Subsidiary pursuant to documentation acceptable to the Administrative Agent.

(c) In the event that the Borrower certifies to the Administrative Agent and the Lenders in writing that (i) the Senior Unsecured Notes and all other documents or agreements evidencing or otherwise relating to any Indebtedness of the Borrower or any Subsidiary do not contain any covenant or agreement similar to this Section 5.07 and (ii) no Indebtedness of the Borrower or any Subsidiary (other than an Excluded Foreign Subsidiary) is secured by Liens other than Liens permitted by Section 6.02, then this Section 5.07 shall automatically be deemed to have no further force or effect without any action of the parties hereto. If, subsequent to such certification from the Borrower, any agreement or document related to any Indebtedness of the Borrower or any Subsidiary (other than an Excluded Foreign Subsidiary) contains a covenant or agreement similar to this Section 5.07, then this Section 5.07 shall automatically be reinstated and shall be in full force and effect without any action of the parties hereto.

Section 5.08. Books and Records; Inspection and Audit Rights. The Borrower will, and will cause each of its Subsidiaries to, keep proper books of record and accounts in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. If no Default or Event of Default exists, at the expense of the Administrative Agent and the Lenders, the Borrower will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, subject to Section 10.12, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours, as often as reasonably requested. If a Default or Event of Default exists, at the expense of the Borrower, the Borrower will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such times and as often as requested.

Section 5.09. Compliance with Laws. The Borrower will, and will cause each of its Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 5.10. Use of Proceeds. The proceeds of the Revolving Loans and Swingline Loans will be used only for payment of fees and expenses payable in connection with the Transactions and for working capital and other general corporate purposes of the Borrower and its Subsidiaries. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations G, U and X.

Section 5.11. New Material Subsidiaries. If as of a fiscal quarter end a Subsidiary that is not party to the Guaranty Agreement is a Material Subsidiary, then within 45 days after the end of such fiscal quarter the Borrower shall: (i) cause each such Subsidiary to become a party to the Guaranty Agreement

pursuant to the execution and delivery of a Subsidiary Joinder Agreement (as defined in the Guaranty Agreement); (ii) cause each such Subsidiary to execute and/or deliver such other documentation as the Administrative Agent may reasonably request to evidence the authority of each such Subsidiary to execute, deliver and perform the Guaranty Agreement and to evidence the existence and good standing of each such Subsidiary; and (iii) deliver a favorable written opinion (addressed to the Administrative Agent and the Lenders) of counsel to each such Subsidiary covering the matters set forth in Sections 3.01, 3.02 and 3.03 of this Agreement and such other matters relating to each such Subsidiary and the Loan Documents as the Administrative Agent shall reasonably request. The Borrower requests each such counsel to deliver such opinions.

Section 5.12. Further Assurances. The Borrower will, and will cause each Subsidiary Guarantor to, execute any and all further documents, agreements and instruments, and take all such further actions, which may be required under any applicable law or which the Administrative Agent or the Required Lenders may reasonably request, to effectuate the transactions contemplated by the Loan Documents, all at the expense of the Loan Parties.

ARTICLE VI.

Negative Covenants

Until the Loan Obligations have been Fully Satisfied, the Borrower covenants and agrees with the Administrative Agent, the Issuing Bank, and the Lenders that:

Section 6.01. Indebtedness; Certain Equity Securities. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Indebtedness, except:

(a) Indebtedness created under the Loan Documents;

(b) Indebtedness existing on the date hereof and set forth in Schedule 6.01 and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof or result in an earlier maturity date or decreased weighted average life thereof;

(c) Indebtedness of the Borrower to any Subsidiary and of any Subsidiary to the Borrower or any other Subsidiary; provided that Indebtedness of the Borrower or any Subsidiary Guarantor owed to any Subsidiary that is not a Subsidiary Guarantor shall be subordinate to the Obligations on terms, and pursuant to documentation, reasonably satisfactory to the Administrative Agent;

(d) Guarantees by the Borrower or any Subsidiary of Indebtedness of the Borrower or any Subsidiary which is otherwise permitted by this Section 6.01;

(e) (i) Indebtedness of the Borrower and the Subsidiary Guarantors secured by fixed or capital assets (including equipment), including Capital Lease Obligations, (ii) Indebtedness of Subsidiaries of the Borrower that are not Subsidiary Guarantors (including Foreign Subsidiaries) owed to an unrelated third Person (other than any Receivable Securitization Outstandings) and (iii) other Indebtedness of Subsidiary Guarantors owed to an unrelated third Person; provided that the aggregate amount of Indebtedness permitted by this clause (e) at any time outstanding shall not exceed an amount equal to 20% of the Borrower's and its Subsidiaries consolidated net worth (as determined in accordance with GAAP);

(f) Indebtedness arising in connection with Swap Agreements permitted by Section 6.07;

(g) to the extent constituting Indebtedness, deferred compensation payable to directors, officers or employees of the Borrower and the Subsidiaries;

(h) cash management obligations and Indebtedness incurred by the Borrower or any Subsidiary in respect of netting services, overdraft protections and similar arrangements, in each case entered into in the ordinary course of business in connection with cash management and deposit accounts and not involving the borrowing of money; and

(i) Indebtedness of the Borrower or any Subsidiary owing to Lake Park Insurance, Ltd. in an aggregate principal amount not to exceed \$60,000,000 at any time outstanding provided that no more than \$35,000,000 of the principal amount of such Indebtedness may be secured by Liens permitted under Section 6.02(f);

(j) Receivable Securitization Outstandings in an aggregate principal amount not to exceed \$300,000,000;

(k) Indebtedness outstanding under the Senior Unsecured Notes on the Effective Date (but specifically excluding any extensions, renewals, refinancings or replacements of such Indebtedness); and

(l) unsecured Indebtedness of the Borrower in addition to that permitted by other provisions of this Section 6.01 provided that (i) no Default has occurred and is continuing at the time such unsecured Indebtedness is incurred or would result from the incurrence thereof and (ii) after giving pro forma effect to such unsecured Indebtedness, the Borrower shall be in compliance with the financial covenants set out in Article VII as calculated for the four fiscal quarter period most recently ended as if such unsecured Indebtedness had been incurred as of the first date of such four fiscal quarter period (and to the extent such Indebtedness bears interest at a floating rate, using the rate in effect at the time of calculation for the entire period of calculation).

The Borrower will not permit Lake Park Insurance, Ltd. to directly or indirectly create, assume, Guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness except for Indebtedness arising in the ordinary course of business in connection with insurance and reinsurance policies it has entered into or may enter into in the ordinary course of business.

The Borrower will not permit any Subsidiary to issue any preferred stock or other preferred Equity Interests unless such preferred Equity Interests are issued to and at all times owned by the Borrower or another Loan Party.

Section 6.02. Liens. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

(a) Liens created under the Loan Documents;

(b) Permitted Encumbrances;

(c) any Lien on any asset of the Borrower or any Subsidiary existing on the date hereof and set forth in Schedule 6.02; provided that (i) such Lien shall not apply to any other asset of the Borrower or any Subsidiary and (ii) such Lien shall secure only those obligations which it secures on the date hereof and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;

(d) any Lien existing on any fixed or capital asset (including equipment) prior to the acquisition thereof by the Borrower or any Subsidiary or existing on any property or asset of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other assets of the Borrower or any Subsidiary, (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof, and (iv) the aggregate principal amount of all Indebtedness secured by Liens permitted by this clause (d) shall not at any time exceed \$25,000,000;

(e) Liens on fixed or capital assets (including equipment) acquired, constructed or improved by the Borrower or any Subsidiary; provided that (i) such security interests secure Indebtedness permitted by subclause (i) of Section 6.01(e), including Capital Lease Obligations, (ii) such security interests and the Indebtedness secured thereby are incurred prior to or within 90 days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such security interests shall not apply to any other property or assets of the Borrower or any Subsidiary;

(f) Liens on property of the Borrower or any of its Subsidiaries securing Indebtedness owing to Lake Park Insurance, Ltd. permitted by Section 6.01(i) provided that the aggregate principal amount of all Indebtedness secured by such Liens shall not at any time exceed \$35,000,000;

(g) (i) Liens on property of the Borrower or any of its Subsidiaries securing Indebtedness owing to a Loan Party permitted by Section 6.01(c) and (ii) Liens on property of any Subsidiary that is not a Material Subsidiary securing Indebtedness owing to any other Subsidiary that is not a Material Subsidiary permitted by Section 6.01(c);

(h) Liens securing Indebtedness of Foreign Subsidiaries permitted by subclause (ii) of Section 6.01(e) provided that such Liens encumber only assets of the Foreign Subsidiaries;

(i) Liens granted in connection with any Receivable Securitization Facility permitted hereunder on the receivables sold pursuant thereto (together with all collections and other proceeds thereof and any collateral securing the payment thereof), all right, title and interest in and to the lockboxes and other collection accounts in which proceeds of such receivables are deposited, the rights under the documents executed in connection with such Receivable Securitization Facility and in the Equity Interests issued by any special purpose entity organized to purchase the receivables thereunder;

(j) Liens on cash securing Indebtedness arising in connection with Swap Agreements permitted by Section 6.07; and

(k) other Liens not otherwise permitted by this Section 6.02 provided that the aggregate book value of assets subject to the Liens permitted by this clause (k) does not exceed \$5,000,000 at any time.

Section 6.03. Fundamental Changes.

(a) The Borrower will not, nor will it permit any Subsidiary to, merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing (i) any Subsidiary may merge into the Borrower in a

transaction in which the Borrower is the surviving corporation, (ii) any Subsidiary may merge into any Subsidiary in a transaction in which the surviving entity is a Subsidiary and, if any party to such merger is a Subsidiary Guarantor, is a Subsidiary Guarantor; (iii) any Subsidiary or the Borrower may merge into another Person in connection with an acquisition permitted by Section 6.04 as long as the Subsidiary or the Borrower is the surviving Person and no Default exists or would result and (iv) any Subsidiary may liquidate, dissolve or be transferred if the Borrower determines in good faith that such liquidation, dissolution or transfer is in the best interests of the Borrower and is not materially disadvantageous to the Lenders and if such Subsidiary is a Subsidiary Guarantor, its assets are transferred to the Borrower or a Subsidiary Guarantor; provided that any such merger involving a Person that is not a wholly owned Subsidiary immediately prior to such merger shall not be permitted unless also permitted by Section 6.04 or Section 6.05.

(b) The Borrower will not, and will not permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Borrower and its Subsidiaries on the date of execution of this Agreement and businesses reasonably related thereto.

Section 6.04. Investments, Loans, Advances and Acquisitions. The Borrower will not, and will not permit any of its Subsidiaries to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a wholly owned Subsidiary prior to such merger) any Equity Interests in or evidences of indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, or make or permit to exist any investment or any other interest in, any other Person, or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit, except:

(a) Permitted Investments;

(b) investments existing on the date hereof and set forth on Schedule 6.04;

(c) investments by the Borrower and its Subsidiaries in Equity Interests in their respective Subsidiaries;

(d) loans or advances made by the Borrower to any Subsidiary and made by any Subsidiary to the Borrower or any other Subsidiary; provided that such loans and advances shall be subject to the conditions set forth in Section 6.01(c);

(e) investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;

(f) notes and other non-cash consideration received as part of the purchase price of assets disposed of pursuant to Section 6.05;

(g) extension of trade credit in the ordinary course of business;

(h) Swap Agreements permitted by Section 6.07;

(i) loans and advances to officers, directors, and employees of the Borrower and the Subsidiaries made in the ordinary course of business for travel and entertainment expenses, relocation costs and similar purposes up to a maximum for all such loans and advances of \$10,000,000 in the aggregate at any one time outstanding;

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

(k) Borrower or a Subsidiary may purchase, hold or acquire (including pursuant to a merger) all the Equity Interests in a Person and may purchase or otherwise acquire (in one transaction or a series of transactions) all or substantially all of the assets of any other Person or all or substantially all of the assets of a division or branch of such Person, if, with respect to each such acquisition:

(i) Default. No Default exists or would result therefrom;

(ii) Pro Forma Compliance. The Borrower shall be in compliance with the covenants contained in Article VII on a pro forma basis for the four (4) fiscal quarter period then most recently ending (assuming that the incurrence or assumption of any Indebtedness in connection with the proposed purchase or acquisition occurred on the first day of such period and to the extent such Indebtedness bears interest at a floating rate, using the rate in effect at the time of calculation for the entire period of calculation); and

(iii) Delivery and Notice Requirements. Borrower shall provide to Administrative Agent, within five days after the consummation of any acquisition with a purchase price in excess of \$50,000,000, the following: (A) notice of the acquisition and (B) a certificate signed by a Financial Officer of the Borrower certifying: (1) that after giving effect to the acquisition in question, all representations and warranties contained in the Loan Documents were true and correct on and as of the date of the closing of the acquisition with the same force and effect as if such representations and warranties had been made on and as of such date, except to the extent that such representations and warranties relate specifically to an earlier date (and such representations and warranties were true and correct as of such earlier date); (2) that no Default exists or will result from the acquisition; and (3) to the Borrower's calculation of its compliance with clause (ii) of this clause (k);

(l) investments in the Equity Interests in the special purpose entities established in connection with any Receivable Securitization Facility provided that the aggregate amount of cash invested by the Borrower and its Subsidiaries in all such entities shall not exceed \$1,000,000;

(m) other investments not otherwise permitted by this Section 6.04 provided that the aggregate book value of all investments made under the permissions of this clause (m) does not exceed \$1,000,000 at any time; and

(n) in addition to the investments otherwise permitted by this Section 6.04, the Borrower and each Subsidiary may purchase, hold or acquire Equity Interests in or other securities or assets of, make loans or advances to, or make any other investment in, any other Person if (i) no Default exists or would result from the making of such acquisition, loan, advance or investment and (ii) the Borrower is in pro forma compliance with the financial covenants set forth in Article VII for the four fiscal quarter period most recently ended after giving effect to such acquisition, loan, advance or investment and after giving effect to any Indebtedness incurred in connection therewith; provided, any acquisition of all of the Equity Interests in a Person, or all or substantially all of the assets of a Person, shall be subject to the terms of clause (k) of this Section 6.04.

Section 6.05. Asset Sales. The Borrower will not, and will not permit any of the Subsidiaries to, sell, transfer, lease or otherwise dispose of any asset, including any Equity Interest owned by it, nor will the Borrower permit any of its Subsidiaries to issue any additional Equity Interest in such Subsidiary, except:

(a) sales, leases (or subleases), licenses (or sublicenses) or other transfers and dispositions of inventory, used, worn-out, obsolete or surplus equipment, property, property no longer needed or useful, and Permitted Investments, each in the ordinary course of business, and sales of real estate to the extent such property is exchanged for credit against the purchase price of similar replacement property or the proceeds of such sale are reasonably promptly applied to the purchase price of such replacement property;

(b) sales, transfers and other dispositions of receivables, or undivided interests therein, together with all collections and other proceeds thereof and any collateral securing the payment thereof pursuant to any Receivable Securitization Facility;

(c) if Indebtedness under the Senior Unsecured Notes is outstanding, dispositions of certain business segments (other than domestic heating, cooling and refrigeration businesses) as long as (i) no Default exists or would result from the making of such disposition, (ii) the book value of assets disposed of by the Borrower and its Subsidiaries in any calendar year in reliance on this clause (c) does not exceed ten percent (10%) of consolidated net assets of the Borrower and its Subsidiaries, and (iii) the EBITDA attributable to the assets disposed of by the Borrower and its Subsidiaries in reliance on this clause (c) in any calendar year does not represent more than 5% of EBITDA of the Borrower and its Subsidiaries for the prior calendar year;

(d) if Indebtedness under the Senior Unsecured Notes is outstanding, other dispositions as long as (i) no Default exists or would result from the making of such disposition, (ii) the book value of assets disposed of by the Borrower and its Subsidiaries in any calendar year in reliance on this clause (d) does not exceed five percent (5%) of consolidated net assets of the Borrower and its Subsidiaries, and (iii) the EBITDA attributable to the assets disposed of by the Borrower and its Subsidiaries in reliance on this clause (d) in any calendar year does not represent more than 5% of EBITDA of the Borrower and its Subsidiaries for the prior calendar year; and

(e) if no Indebtedness under the Senior Unsecured Notes is outstanding, other dispositions of assets (including dispositions of certain businesses other than domestic heating, cooling and refrigeration businesses) as long as (i) no Default exists or would result from the making of such disposition and (ii) the total of any EBITDA attributable to the assets disposed of by the Borrower and its Subsidiaries in any calendar year in reliance on this clause (e) does not represent more than 20% of EBITDA of the Borrower and its Subsidiaries for the prior calendar year;

provided that all sales, transfers, leases and other dispositions permitted hereby shall be made for fair value. Notwithstanding the foregoing, the Borrower or any Subsidiary shall be permitted to make any sale, transfer, lease or disposition of any asset otherwise prohibited by this Section 6.05, if within one year of disposing of such asset, the Borrower or a Subsidiary of the Borrower applies or commits to apply an amount equal to the fair market value of such asset to: (a) redeem the Senior Unsecured Notes, (b) repay Indebtedness for borrowed money having a maturity of more than twelve (12) months (other than any Indebtedness owed to the Borrower or a Material Subsidiary), (c) acquire, construct, develop or improve properties, facilities, or equipment of the Borrower or any Material Subsidiary, or (d) any combination thereof.

Section 6.06. Sale and Leaseback Transactions. The Borrower will not, and will not permit any of its Subsidiaries to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereinafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, except for (i) any such sale of any fixed or capital assets that is made for cash consideration in an amount not less than the cost of such fixed or

capital asset and is consummated within 90 days after the Borrower or such Subsidiary acquires or completes the construction of such fixed or capital asset; and (ii) other sale and leaseback transactions, provided that any Indebtedness that may be incurred with any such sale and leaseback transaction is permitted under Section 6.01 and the assets to be sold in connection such sale and leaseback transaction are permitted to be sold pursuant to Section 6.05.

Section 6.07. Swap Agreements. The Borrower will not, and will not permit any of its Subsidiaries to, enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or mitigate risks to which the Borrower or any Subsidiary has actual exposure (other than those in respect of Equity Interests of the Borrower or any of its Subsidiaries), and (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of the Borrower or any Subsidiary.

Section 6.08. Restricted Payments. The Borrower will not, nor will it permit any Subsidiary to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except (a) Subsidiaries may declare and pay dividends ratably with respect to their capital stock and (b) Borrower may make any Restricted Payment so long as no Default exists or would result from the making of such Restricted Payment.

Section 6.09. Transactions with Affiliates. The Borrower will not, nor will it permit any Subsidiary to, sell, lease or otherwise transfer (in a single transaction or a series of related transactions) property or assets having an aggregate book value in excess of \$1,000,000 to, or purchase, lease or otherwise acquire (in a single transaction or a series of related transactions) property or assets having an aggregate book value in excess of \$1,000,000 from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) transactions in the ordinary course of business that are at prices and on terms and conditions not less favorable to the Borrower or such Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among the Borrower and the Subsidiary Guarantors not involving any other Affiliate and (c) any Restricted Payment permitted by Section 6.08.

Section 6.10. Restrictive Agreements. The Borrower will not, nor will it permit any Subsidiary to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrower or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrower or any other Subsidiary or to Guarantee Indebtedness of the Borrower or any other Subsidiary; provided that:

(i) the foregoing shall not apply to restrictions and conditions imposed by law or by any Loan Document,

(ii) the foregoing shall not apply to restrictions and conditions existing on the date hereof identified on Schedule 6.10 (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition),

(iii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to leases and other contracts restricting the assignment thereof, or to agreement relating to the sale of a Subsidiary or any asset or property pending such sale, provided such restrictions and conditions apply only to the Subsidiary, asset or property that is to be sold and such sale is permitted hereunder,

(iv) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness,

(v) clause (a) of the foregoing shall not apply to customary provisions in leases, licenses and other contracts restricting the assignment thereof,

(vi) clause (a) of the foregoing shall not apply to customary provisions in the documentation evidencing any Receivable Securitization Facility that impose restrictions on the ability of the special purpose entity party thereto to declare, pay or set aside funds for the making of any distribution in respect of the Equity Interests issued by such entity,

(vii) the foregoing shall not apply to restrictions or conditions with respect to a Subsidiary that is not a Subsidiary on the Effective Date, provided that such restrictions or conditions (A) are in existence at the time such Person becomes a Subsidiary and are not incurred in connection with, or in contemplation of, such Person becoming a Subsidiary and (B) apply only to such Subsidiary and do not extend to the Borrower or any other Subsidiary or any of their respective assets,

(viii) the foregoing shall not apply to customary provisions contained in agreements entered into in connection with Indebtedness owed by any Foreign Subsidiary that impose restrictions on the ability of such Foreign Subsidiary to grant Liens on its property to declare, pay or set aside funds for the making of any distribution in respect of the Equity Interests issued by such Foreign Subsidiary, and

(ix) the foregoing shall not apply to restrictions or conditions contained in agreements evidencing, or executed in connection with, unsecured Indebtedness permitted by Section 6.01(l) as long as such agreements do not prohibit (A) the Obligations to be secured on a pari passu basis and (B) Liens on assets of the Borrower and its Subsidiaries on terms substantially similar to (and no more restrictive than) the terms of Section 6.02 hereof.

Section 6.11. Amendment of Material Documents. The Borrower will not, nor will it permit any Subsidiary to, amend, modify or waive any of its rights under (a) its certificate of incorporation, by-laws or other organizational documents in a manner adverse to the Administrative Agent or the Lenders or (b) the Senior Unsecured Notes.

Section 6.12. Change in Fiscal Year. The Borrower will not change the manner in which the last day of its fiscal year is calculated.

ARTICLE VII.

Financial Covenants

Until the Loan Obligations have been Fully Satisfied, the Borrower covenants and agrees with the Administrative Agent, the Issuing Bank, and the Lenders that:

Section 7.01. Leverage Ratio. As of the last day of each fiscal quarter, the Borrower shall not permit the ratio of Total Indebtedness as of such date to Adjusted EBITDA for the four (4) fiscal quarters then ended to exceed 3.50 to 1.00.

Section 7.02. Interest Coverage Ratio. As of the last day of each fiscal quarter, the Borrower shall not permit the ratio of:

- (a) EBITDA for the four (4) fiscal quarters then ended minus Capital Expenditures made by the Borrower and its Subsidiaries during such four (4) fiscal quarters; to
- (b) the sum of Interest Expense for the Borrower and its Subsidiaries during such four (4) fiscal quarters minus total interest income received by the Borrower and its Subsidiaries during such four (4) fiscal quarters,

to exceed 3.00 to 1.00.

ARTICLE VIII.

Events of Default

Section 8.01. Events of Default; Remedies. If any of the following events ("Events of Default") shall occur:

- (a) Principal Payments. the Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;
- (b) Interest, Fees, and other Payments. the Borrower shall fail to pay (i) any interest on any Loan or any fee payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) Business Days or (ii) any amount under this Agreement or any other Loan Document (other than principal, interest or fees), when and as the same shall become due and payable, and such failure shall continue unremedied for a period of ten (10) days;
- (c) Representations or Warranties. any representation, warranty or certification made or deemed made by or on behalf of the Borrower or any Subsidiary in or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect (except for any representation or warranty that is qualified by materiality, Material Adverse Effect or similar phrase which shall prove to be incorrect in any respect), when made or deemed made;
- (d) Covenant Violation; Immediate Default. the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Sections 5.02, 5.03(a) (with respect to the existence of the Borrower or any Material Subsidiary) or 5.11 or in Article VI or in Article VII;
- (e) Covenant Violation with Cure Period. any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in any Loan Document (other than those specified in clause (a), (b) or (d) of this Section 8.01), and such failure shall continue unremedied for a period of 30 days after the earlier of (i) the date on which the Chief Executive Officer, the General counsel, or a Financial Officer of such Loan Party becomes aware of such failure or (ii) notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);
- (f) Cross Payment Default. the Borrower or any Subsidiary shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable (subject to any applicable grace period);

(g) Cross Covenant Default. any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness;

(h) Involuntary Bankruptcy. an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any Subsidiary or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) Voluntary Bankruptcy. the Borrower or any Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Section 8.01, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) Other Insolvency. the Borrower or any Subsidiary shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) Judgments. one or more final judgments for the payment of money in an aggregate amount in excess of \$75,000,000 (to the extent not covered by independent third-party insurance) shall be rendered against the Borrower, any Subsidiary or any combination thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Borrower or any Subsidiary to enforce any such judgment;

(l) ERISA Event. ERISA Event shall have occurred that when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(m) Invalidity of Loan Documents. the Guaranty Agreement shall otherwise for any reason cease to be in full force and effect and valid, binding and enforceable in accordance with its terms after its date of execution, or the Borrower or any Subsidiary Guarantor shall so state in writing; or

(n) Change in Control. a Change in Control shall occur;

then, and in every such event (other than an event with respect to the Borrower described in clause (h) or (i) of this Section), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to

be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Borrower; and in case of any event with respect to the Borrower described in clause (h) or (i) of this Section, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by the Borrower. In addition, if any Event of Default exists, the Administrative Agent may (and if directed by the Required Lenders, shall) foreclose or otherwise enforce any Lien granted to the Administrative Agent, for the benefit of the Secured Parties, to secure payment and performance of the Obligations in accordance with the terms of the Loan Documents and exercise any and all rights and remedies afforded by the laws of the State of New York or any other jurisdiction, by any of the Loan Documents, by equity, or otherwise.

Section 8.02. Performance by the Administrative Agent. If any Loan Party shall fail to perform any covenant or agreement in accordance with the terms of the Loan Documents, the Administrative Agent may, and shall at the direction of the Required Lenders, perform or attempt to perform such covenant or agreement on behalf of the applicable Loan Party. In such event, the Borrower shall, at the request of the Administrative Agent promptly pay any amount expended by the Administrative Agent or the Lenders in connection with such performance or attempted performance to the Administrative Agent, together with interest thereon at the interest rate provided for in Section 2.12(c) from and including the date of such expenditure to but excluding the date such expenditure is paid in full. Notwithstanding the foregoing, it is expressly agreed that neither the Administrative Agent nor any Lender shall have any liability or responsibility for the performance of any obligation of any Loan Party under any Loan Document.

Section 8.03. Limitation on Separate Suit. No suit shall be brought against any Loan Party on account of the Loan Obligations except by the Administrative Agent, acting upon the written instructions of the Required Lenders.

ARTICLE IX.

The Administrative Agent

Section 9.01. Appointment. Each of the Lenders and the Issuing Bank hereby irrevocably appoints JPMorgan Chase Bank, National Association as agent on its behalf, and on behalf of each of its Affiliates who are owed Obligations (each such Affiliate by acceptance of the benefits of the Loan Documents hereby ratifying such appointment) and authorizes the Administrative Agent to take such actions on its behalf and on behalf of such Affiliates and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto.

Section 9.02. 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 such Person and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

Section 9.03. Limitation of Duties and Immunities. The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default exists, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.02), and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 10.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall not be deemed to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent 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 any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 9.04. Reliance on Third Parties. 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 believed by it to be genuine and to have been signed or sent 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 be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for any Loan Party), 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 9.05. Sub-Agents. The Administrative Agent may perform any and all its duties and exercise its rights and powers 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 its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of each 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 9.06. Successor Agent. Subject to the appointment and acceptance of a successor the Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Bank and the Borrower. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor. If no successor shall have been so appointed by the Required 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 Issuing Bank, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor,

such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. 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 Administrative Agent's resignation hereunder, the provisions of this Article and Section 10.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

Section 9.07. Independent Credit Decisions. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender 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 also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender 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 related agreement or any document furnished hereunder or thereunder.

Section 9.08. Other Agents. Each of Bank of America, N.A. and Wells Fargo Bank, N.A. has been designated as a "syndication agent" hereunder in recognition of the level of its Revolving Commitments. Each of PNC Bank, National Association and The Bank of Tokyo-Mitsubishi UFJ Ltd. has been designated as a "documentation agent" hereunder in recognition of the level of its Revolving Commitments. U.S. Bank National Association has been designated as "managing agent" hereunder in recognition of the level of its Revolving Commitments. None of such institutions is an agent for the Lenders and no such Lender shall have any obligation hereunder other than those existing in its capacity as a Lender. Without limiting the foregoing, no such Lender shall have or be deemed to have any fiduciary relationship with or duty to any Lender.

Section 9.09. Powers and Immunities of Issuing Bank. Neither the Issuing Bank nor any of its Related Parties shall be liable for any action taken or omitted to be taken by any of them hereunder or otherwise in connection with any Loan Document except for its or their own gross negligence or willful misconduct. Without limiting the generality of the preceding sentence, the Issuing Bank (a) shall have no duties or responsibilities except those expressly set forth in the Loan Documents, and shall not by reason of any Loan Document be a trustee or fiduciary for any Lender or for the Administrative Agent, (b) shall not be required to initiate any litigation or collection proceedings under any Loan Document, (c) shall not be responsible to any Lender or the Administrative Agent for any recitals, statements, representations, or warranties contained in any Loan Document, or any certificate or other documentation referred to or provided for in, or received by any of them under, any Loan Document, or for the value, validity, effectiveness, enforceability, or sufficiency of any Loan Document or any other documentation referred to or provided for therein or for any failure by any Person to perform any of its obligations thereunder, (d) may consult with legal counsel (including counsel for the Borrower), independent public accountants, and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants, or experts, and (e) shall incur no liability under or in respect of any Loan Document by acting upon any notice, consent, certificate, or other instrument or writing believed by it to be genuine and signed or sent by the proper party or parties. As to any matters not expressly provided for by any Loan Document, the Issuing Bank shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by the Required Lenders, and such instructions of the Required Lenders and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders and the Administrative Agent; provided, however, that the Issuing Bank shall not be required to take any action which exposes it to personal liability or which is contrary to any Loan Document or applicable law.

Section 9.10. Authorized Release of Subsidiary Guarantor. If:

(a) no Default exists or would result; and

(b) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower requesting the release of a Subsidiary Guarantor, certifying that (A) no Default exists or will result from the release of the Subsidiary Guarantor; and (B) the Administrative Agent is authorized to release such Subsidiary Guarantor because the Equity Interest issued by such Subsidiary Guarantor or the assets of such Subsidiary Guarantor have been sold in a transaction permitted by Section 6.05 (including with the consent of the Required Lenders pursuant to Section 10.02(b));

then the Administrative Agent is irrevocably authorized by the Secured Parties, without any consent or further agreement of any Secured Party to release such Subsidiary Guarantor from all obligations under the Loan Documents. To the extent the Administrative Agent is required to execute any release documents in accordance with the immediately preceding sentence, the Administrative Agent shall do so promptly upon request of the Borrower without the consent or further agreement of any Secured Party.

Section 9.11. Lender Affiliates Rights. By accepting the benefits of the Loan Documents, any Affiliate of a Lender that is owed any Obligation is bound by the terms of the Loan Documents. But notwithstanding the foregoing: (a) neither the Administrative Agent, any Lender nor any Loan Party shall be obligated to deliver any notice or communication required to be delivered to any Lender under any Loan Documents to any Affiliate of any Lender; and (b) no Affiliate of any Lender that is owed any Obligation shall be included in the determination of the Required Lenders or entitled to consent to, reject, or participate in any manner in any amendment, waiver or other modification of any Loan Document. The Administrative Agent shall not have any liabilities, obligations or responsibilities of any kind whatsoever to any Affiliate of any Lender who is owed any Obligation. The Administrative Agent shall deal solely and directly with the related Lender of any such Affiliate in connection with all matters relating to the Loan Documents. The Obligation owed to such Affiliate shall be considered the Obligation of its related Lender for all purposes under the Loan Documents and such Lender shall be solely responsible to the other parties hereto for all the obligations of such Affiliate under any Loan Document.

Section 9.12. Resignation of Bank of America, N.A. Effective upon the satisfaction of the conditions precedent set forth in Section 4.01, Bank of America, N.A. (a) resigns as the “Administrative Agent” and “Swingline Lender” under the Prior Credit Agreement and the “Loan Documents” (as defined in the Prior Credit Agreement) and (b) assigns all of its right, title and interest as the “Administrative Agent” and “Swingline Lender” under the Prior Credit Agreement and the “Loan Documents” (as defined in the Prior Credit Agreement) to JPMorgan Chase Bank, National Association, its capacity as the Administrative Agent hereunder. Bank of America, N.A. agrees that, on and after the Effective Date, it shall promptly execute such documentation and take such actions as the Administrative Agent may reasonably request in order to vest in the Administrative Agent all rights and powers of Bank of America, N.A. as the “Administrative Agent” and “Swingline Lender” under the Prior Credit Agreement and the “Loan Documents” (as defined in the Prior Credit Agreement).

ARTICLE X.

Miscellaneous

Section 10.01. Notices. Except in the case of notices and other communications expressly permitted to be given by telephone or other means, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Borrower or to any Subsidiary Guarantor, to it at 2140 Lake Park Boulevard, Richardson, Texas, 75080, Attention of Rick Pelini, Vice President, Treasurer (Telecopy No. 972.497.6940);

(ii) if to the Administrative Agent, the Issuing Bank or the Swingline Lender, to JPMorgan Chase Bank, National Association, 2200 Ross Avenue, Third Floor, Dallas, Texas 75201, Attention: Gregory T. Martin, Vice President, Telephone: 214.965.2171; Telecopy: 214.965.2044 and JPMorgan Chase Bank, National Association, Midcorp Loan and Agency Services Group, Mailcode: IL1-001010; 10 South Dearborn Street, 7th Floor, Chicago, IL 60603; Attention: Nan Wilson, Telephone: 312-385-7084; Telecopy: 888-292-9533; and

(iii) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. 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. Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Section 10.02. Waivers; Amendments.

(a) No Waiver; Rights Cumulative. No failure or delay by the Administrative Agent, the Issuing Bank or any Lender in exercising, and no course of dealing with respect to, any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Bank and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or the Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Amendments. Neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except (x) pursuant to an Increased Commitment Supplement executed in accordance with the terms and conditions of Section 2.19 which only needs to be signed by the Borrower, the Administrative Agent and the Lenders increasing or providing new Revolving Commitments thereunder if the Increased Commitment Supplement does not increase the aggregate amount of the Revolving Commitments to an amount in excess of \$750,000,000 and (y) in the case of this Agreement and any circumstance other than as described in clause (x) pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or, in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by

the Administrative Agent and the Loan Party or Loan Parties that are parties thereto, in each case with the consent of the Required Lenders; provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender (including any such Lender that is a Defaulting Lender), (ii) reduce or forgive the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce or forgive any interest or fees payable hereunder, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby, (iii) postpone any scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any date for the payment of any interest, fees or other Obligations payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby, (iv) change Section 2.08(c) in a manner that would alter the manner in which commitments of any Class are reduced, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby, (v) change Section 2.17(b), (c) or (f) in a manner that would alter the manner in which payments are shared, without the written consent of each Lender (including any such Lender that is a Defaulting Lender), (vi) change any of the provisions of this Section or the definition of "Required Lenders", "Loan Party" or "Obligation" (or any term defined therein) or any other provision of any Loan Document specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender (including any such Lender that is a Defaulting Lender) directly affected thereby, (vii) change Section 2.20, without the consent of each Lender (other than any Defaulting Lender), or (viii) release any Loan Party from its obligation under the Guaranty Agreement (except as otherwise permitted herein or in the other Loan Documents), without the written consent of each Lender (other than any Defaulting Lender); provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Issuing Bank or the Swingline Lender hereunder without the prior written consent of the Administrative Agent, the Issuing Bank or the Swingline Lender, as the case may be (it being understood that any change to Section 2.20 shall require the consent of the Administrative Agent, the Issuing Bank and the Swingline Lender).

Section 10.03. Expenses; Indemnity; Damage Waiver.

(a) Expenses. The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein, the preparation and administration of the Loan Documents or any amendments, modifications or waivers of the provisions thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Issuing Bank or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent, the Issuing Bank or any Lender, in connection with the enforcement or protection of its rights in connection with the Loan Documents, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnity. THE BORROWER SHALL INDEMNIFY THE ADMINISTRATIVE AGENT, THE ISSUING BANK AND EACH LENDER, AND EACH RELATED PARTY OF ANY OF THE FOREGOING PERSONS (EACH SUCH PERSON BEING CALLED AN "INDEMNITEE") AGAINST, AND HOLD EACH INDEMNITEE HARMLESS FROM, ANY AND ALL LOSSES, CLAIMS, DAMAGES, LIABILITIES AND RELATED EXPENSES, INCLUDING THE

REASONABLE AND DOCUMENTED FEES, CHARGES AND DISBURSEMENTS OF ANY COUNSEL FOR ANY INDEMNITEE, INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE ARISING OUT OF, IN CONNECTION WITH, OR AS A RESULT OF (I) THE EXECUTION OR DELIVERY OF THE PRIOR CREDIT AGREEMENT, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY, THE PERFORMANCE BY THE PARTIES TO THE LOAN DOCUMENTS OF THEIR RESPECTIVE OBLIGATIONS THEREUNDER OR THE CONSUMMATION OF THE TRANSACTIONS OR ANY OTHER TRANSACTIONS CONTEMPLATED HEREBY, (II) ANY LOAN OR LETTER OF CREDIT OR THE USE OF THE PROCEEDS THEREFROM (INCLUDING ANY REFUSAL BY THE ISSUING BANK TO HONOR A DEMAND FOR PAYMENT UNDER A LETTER OF CREDIT IF THE DOCUMENTS PRESENTED IN CONNECTION WITH SUCH DEMAND DO NOT STRICTLY COMPLY WITH THE TERMS OF SUCH LETTER OF CREDIT), (III) THE FAILURE TO PAY ANY LC DISBURSEMENT DENOMINATED IN A FOREIGN CURRENCY IN WHICH SUCH LETTER OF CREDIT WAS ISSUED, (IV) ANY ACTUAL OR ALLEGED PRESENCE OR RELEASE OF HAZARDOUS MATERIALS ON OR FROM ANY PROPERTY CURRENTLY OR FORMERLY OWNED OR OPERATED BY THE BORROWER OR ANY OF THE SUBSIDIARIES, OR ANY ENVIRONMENTAL LIABILITY RELATED IN ANY WAY TO THE BORROWER OR ANY OF THE SUBSIDIARIES, OR (V) ANY ACTUAL OR PROSPECTIVE CLAIM, LITIGATION, INVESTIGATION OR PROCEEDING RELATING TO ANY OF THE FOREGOING, WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY, WHETHER BROUGHT BY A THIRD PARTY OR ANY LOAN PARTY, AND REGARDLESS OF WHETHER ANY INDEMNITEE IS A PARTY THERETO; PROVIDED THAT SUCH INDEMNITY SHALL NOT, AS TO ANY INDEMNITEE, BE AVAILABLE TO THE EXTENT THAT SUCH LOSSES, CLAIMS, DAMAGES, LIABILITIES OR RELATED EXPENSES ARE DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NONAPPEALABLE JUDGMENT TO HAVE RESULTED FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE. WITHOUT LIMITING ANY PROVISION OF ANY LOAN DOCUMENT, IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT EACH INDEMNITEE SHALL BE INDEMNIFIED FROM AND HELD HARMLESS AGAINST ANY AND ALL LOSSES, LIABILITIES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, DISBURSEMENTS, COSTS, AND EXPENSES (INCLUDING ATTORNEYS' FEES AND EXPENSES) ARISING OUT OF OR RESULTING FROM THE SOLE OR CONTRIBUTORY NEGLIGENCE OF SUCH INDEMNITEE. THE BORROWER AND EACH OF ITS SUBSIDIARIES WAIVE ANY AND ALL CLAIMS, OFFSETS, DEFENSES OR COUNTERCLAIMS, WHETHER KNOWN OR UNKNOWN, ARISING PRIOR TO THE EFFECTIVE DATE AND RELATING TO THE PRIOR CREDIT AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(c) Lender's Agreement to Pay. To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent, the Issuing Bank or the Swingline Lender under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent, the Issuing Bank or the Swingline Lender, as the case may be, such Lender's pro rata share (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, the Issuing Bank or the Swingline Lender in its capacity as such. For purposes hereof, a Lender's "pro rata share" shall be determined based upon its share of the sum of the total Revolving Exposures and unused Commitments at the time.

(d) Waiver of Damages. To the extent permitted by applicable law, no Loan Party shall assert, and each Loan Party waives, any claim against any Indemnitee, on any theory of liability, for

special, indirect, incidental, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, the Loan Documents or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof.

(e) Payment. All amounts due under this Section shall be payable not later than 10 Business Days after written demand therefor.

Section 10.04. Successors and Assigns.

(a) Successors and Assigns. The provisions of this Agreement are binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit, any Affiliate of a Lender who is owed any of the Obligations and any Indemnitee), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of the Issuing Bank that issues any Letter of Credit, any Affiliate of a Lender who is owed any of the Obligations and any Indemnitee), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Bank and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignment. (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(A) the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender or an Affiliate of a Lender or, if an Event of Default exists, any other Person; and

(B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment of any Revolving Commitment to an assignee that is a Lender or an Affiliate of a Lender.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender, or an Approved Fund, or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default exists;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; and

For the purposes of this Section 10.04(b), the term “Approved Fund” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

Notwithstanding the foregoing, no assignment under this Section 10.04 shall be made to (x) the Borrower or any of the Borrower’s Affiliates or Subsidiaries, (y) 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 (y), or (z) a natural person.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.15, 2.16 and 10.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.04 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 paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be conclusive, the Borrower, the Administrative Agent, the Issuing Bank and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee’s completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to this Agreement or any other Loan Document, the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) Participations. (i) Any Lender may, without the consent of the Borrower, the Administrative Agent, the Issuing Bank or the Swingline Lender, sell participations to one or more banks or other entities (a “Participant”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender’s obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent, the Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.02(b) that affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.17(c) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Sections 2.14 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower’s prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.16 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.16(e) as though it were a Lender.

(d) Pledge. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 10.05. Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until the Obligations have been Fully Satisfied. The provisions of Sections 2.14, 2.15, 2.16 and 10.03 and Article IX shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

Section 10.06. Counterparts; Integration; Effectiveness; Amendment and Restatement. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreement with respect to

fees payable to the Administrative Agent embody the final, entire agreement among the parties relating to the subject matter hereof and supersede any and all previous commitments, agreements, representations and understandings, whether oral or written, relating to the subject matter hereof and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of the parties hereto. There are no unwritten oral agreements among the parties hereto. This Agreement amends and restates in its entirety the Prior Credit Agreement. The execution of this Agreement and the other Loan Documents executed in connection herewith does not extinguish the Indebtedness outstanding in connection with the Prior Credit Agreement nor does it constitute a novation with respect to such Indebtedness. The Borrower, the Administrative Agent and the Lenders ratify and confirm each of the Loan Documents entered into prior to the Effective Date (but excluding the Prior Credit Agreement) and agree that such Loan Documents continue to be legal, valid, binding and enforceable in accordance with their respective terms. However, for all matters arising prior to the Effective Date (including the accrual and payment of interest and fees, and matters relating to indemnification and compliance with financial covenants), the terms of the Prior Credit Agreement (as unmodified by this Agreement) shall control and are hereby ratified and confirmed. The Borrower represents and warrants that as of the Effective Date there are no claims or offsets against or defenses or counterclaims to its obligations under the Prior Credit Agreement or any of the other Loan Documents. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or other electronic communication shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.08. Right of Setoff. If an Event of Default exists, each Lender and each of its Affiliates 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 obligations at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrower against any of and all the obligations of the Borrower now or hereafter existing under this Agreement or the other Loan Documents held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application but the failure of any Lender to so notify the Borrower shall not impair such Lender's rights hereunder.

Section 10.09. Governing Law; Jurisdiction; Consent to Service of Process.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the applicable law pertaining in the State of New York, other than those conflict of law provisions that would defer to the substantive laws of another jurisdiction. This governing law election has been made by the parties in reliance (at least in part) on Section 5—1401 of the General Obligations Law of the State of New York, as amended (as and to the extent applicable), and other applicable law.

(b) Jurisdiction. THE BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY

ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, THE ISSUING BANK OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) Venue. The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it 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 other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Service of Process. Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 10.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 10.12. Confidentiality. Each of the Administrative Agent, the Issuing Bank and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any

remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, the Issuing Bank or any Lender on a non-confidential basis from a source other than the Borrower. For the purposes of this Section, “Information” means all information received from any Loan Party relating to any Loan Party, other than any such information that is available to the Administrative Agent, the Issuing Bank or any Lender on a non-confidential basis prior to disclosure by the applicable Loan Party; provided that, in the case of information received from a Loan Party 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 LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 10.12 FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS AFFILIATES, THE LOAN PARTIES] AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

Section 10.13. Maximum Interest Rate.

(a) Limitation to Maximum Rate; Recapture. No interest rate specified in any Loan Document shall at any time exceed the Maximum Rate. If at any time the interest rate (the “Contract Rate”) for any obligation under the Loan Documents shall exceed the Maximum Rate, thereby causing the interest accruing on such obligation to be limited to the Maximum Rate, then any subsequent reduction in the Contract Rate for such obligation shall not reduce the rate of interest on such obligation below the Maximum Rate until the aggregate amount of interest accrued on such obligation equals the aggregate amount of interest which would have accrued on such obligation if the Contract Rate for such obligation had at all times been in effect. As used herein, the term “Maximum Rate” means, at any time with respect to any Lender, the maximum rate of nonusurious interest under applicable law that such Lender may charge Borrower. The Maximum Rate shall be calculated in a manner that takes into account any and all fees, payments, and other charges contracted for, charged, or received in connection with the Loan

Documents that constitute interest under applicable law. Each change in any interest rate provided for herein based upon the Maximum Rate resulting from a change in the Maximum Rate shall take effect without notice to Borrower at the time of such change in the Maximum Rate. For purposes of determining the Maximum Rate under Texas law, the applicable rate ceiling shall be the indicted rate ceiling described in, and computed in accordance with Section 303.003 of the Texas Finance Code.

(b) Cure Provisions. No provision of any Loan Document shall require the payment or the collection of interest in excess of the maximum amount permitted by applicable law. If any excess of interest in such respect is hereby provided for, or shall be adjudicated to be so provided, in any Loan Document or otherwise in connection with this loan transaction, the provisions of this Section shall govern and prevail and neither Borrower nor the sureties, guarantors, successors, or assigns of Borrower shall be obligated to pay the excess amount of such interest or any other excess sum paid for the use, forbearance, or detention of sums loaned pursuant hereto. In the event any Lender ever receives, collects, or applies as interest any such sum, such amount which would be in excess of the maximum amount permitted by applicable law shall be applied as a payment and reduction of the principal of the obligations outstanding hereunder, and, if the principal of the obligations outstanding hereunder has been paid in full, any remaining excess shall forthwith be paid to the Borrower. In determining whether or not the interest paid or payable exceeds the Maximum Rate, Borrower and each Lender shall, to the extent permitted by applicable law, (a) characterize any non-principal payment as an expense, fee, or premium rather than as 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 entire contemplated term of the obligations outstanding hereunder so that interest for the entire term does not exceed the Maximum Rate.

Section 10.14. No Duty. All attorneys, accountants, appraisers, and other professional Persons and consultants retained by the Administrative Agent or any Lender shall have the right to act exclusively in the interest of the Administrative Agent and the Lenders and shall have no duty of disclosure, duty of loyalty, duty of care, or other duty or obligation of any type or nature whatsoever to Borrower, any other Loan Party, any of their respective Equity Interest holders or any other Person.

Section 10.15. No Fiduciary Relationship. The relationship between the Borrower and the Loan Parties on the one hand and the Administrative Agent and each Lender on the other is solely that of debtor and creditor, and neither the Administrative Agent nor any Lender has any fiduciary or other special relationship with the Borrower or any Loan Parties, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between the Borrower and the other Loan Parties on the one hand and the Administrative Agent and each Lender on the other to be other than that of debtor and creditor.

Section 10.16. Equitable Relief. The Borrower recognizes that in the event the Borrower or any other Loan Party fails to pay, perform, observe, or discharge any or all of the obligations under the Loan Documents, any remedy at law may prove to be inadequate relief to the Administrative Agent and the Lenders. The Borrower therefore agrees that the Administrative Agent and the Lenders, if the Administrative Agent or the Required Lenders so request, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

Section 10.17. Construction. The Borrower, each other Loan Party (by its execution of the Loan Documents to which it is a party), the Administrative Agent and each Lender acknowledges that each of them has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review the Loan Documents with its legal counsel and that the Loan Documents shall be construed as if jointly drafted by the parties thereto.

Section 10.18. Independence of Covenants. All covenants under the Loan Documents shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitations of, another covenant shall not avoid the occurrence of a Default if such action is taken or such condition exists.

Section 10.19. USA PATRIOT Act. Each Lender that is subject to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act") notifies each Loan Party that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies the Loan Party, which information includes the name and address of the Loan Party and other information that will allow such Lender to identify the Loan Party in accordance with the Act.

Section 10.20. Judgment Currency. This is a loan transaction in which the specification of a foreign currency or Dollars is of the essence, and the stipulated currency shall in each instance be the currency of account and payment in all instances. A payment obligation in one currency hereunder (the "Original Currency") shall not be discharged by an amount paid in another currency (the "Other Currency"), whether pursuant to any judgment expressed in or converted into any Other Currency or in another place except to the extent that such tender or recovery results in the effective receipt by a party hereto of the full amount of the Original Currency payable to such party. If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Original Currency into the Other Currency, the rate of exchange that shall apply shall be the applicable Spot Rate. The obligation of the Borrower and the Subsidiaries in respect of any such sum due from it to the Administrative Agent, any Issuing Bank or any Lender under any Loan Document (in this Section 10.20 called an "Entitled Person") shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by such Entitled Person of any sum adjudged to be due hereunder in the Other Currency such Entitled Person may in accordance with normal banking procedures purchase the Original Currency with the amount of the judgment currency so adjudged to be due; and the Borrower, as a separate obligation and notwithstanding any such judgment, agrees to indemnify such Entitled Person against, and to pay such Entitled Person on demand, in the Original Currency, the amount (if any) by which the sum originally due to such Entitled Person in the Original Currency hereunder exceeds the amount of the Other Currency so purchased.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

LENNOX INTERNATIONAL INC., as the Borrower

By: /s/ Rick Pelini

Rick Pelini, Vice President and Treasurer

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION,
individually as a Lender and as the Administrative Agent

By: /s/ Gregory T. Martin
Gregory T. Martin, Vice President

BANK OF AMERICA, N.A., individually as a Lender
and as a Syndication Agent

By: /s/ Allison W. Connally

Name: Allison W. Connally

Title: Senior Vice President

WELLS FARGO BANK, N.A., individually as a Lender and
as a Syndication Agent

By: /s/ W. R. Birdwell
Name: W. R. Birdwell
Title: Senior Vice President

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.,
individually as a Lender and as a Documentation Agent

By: /s/ Charles Stewart
Name: Charles Stewart
Title: Director

PNC BANK, NATIONAL ASSOCIATION,
individually as a Lender and as a Documentation Agent

By: /s/ M. Colin Warman
Name: M. Colin Warman
Title: Assistant Vice President

U.S. BANK NATIONAL ASSOCIATION, individually
as a Lender and as Managing Agent

By: /s/ Patrick Engel
Name: Patrick Engel
Title: Vice President

COMERICA BANK,
as a Lender

By: /s/ Gerald R. Finney, Jr.

Name: Gerald R. Finney, Jr.

Title: Vice President

THE NORTHERN TRUST COMPANY,
as a Lender

By: /s/ Brandon Rolek
Name: Brandon Rolek
Title: Vice President

BOKF, N.A. dba Bank of Texas,
as a Lender

By: /s/ Alan Morris

Name: Alan Morris

Title: Vice President

AMEGY BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Monica Libbey
Name: Monica Libbey
Title: Vice President

FIFTH THIRD BANK, an Ohio corporation,
as a Lender

By: /s/ Mitchell A. Early
Mitchell A. Early
AVP, Portfolio Manager

THE BANK OF NOVA SCOTIA,
as a Lender

By: /s/ Justin Perdue
Name: Justin Perdue
Title: Director

COMPASS BANK, as a Lender

By: /s/ Jason Gautz

Name: Jason Gautz

Title: Vice President

SUNTRUST BANK,
as a Lender

By: /s/ David Simpson
Name: David Simpson
Title: Vice President

MORGAN STANLEY BANK, N.A.,
as a Lender

By: /s/ Sherrese Clarke
Name: Sherrese Clarke
Title: Authorized Signatory

BRANCH BANKING AND TRUST COMPANY,
as a Lender

By: /s/ Allen K. King
Name: Allen K. King
Title: Senior Vice President

LIST OF SCHEDULES AND EXHIBITS

SCHEDULES:

Schedule 1.01	—	Existing Letters of Credit
Schedule 2.01	—	Commitments
Schedule 3.12	—	Material Subsidiaries
Schedule 6.01	—	Existing Indebtedness
Schedule 6.02	—	Existing Liens
Schedule 6.04	—	Existing Investments
Schedule 6.10	—	Existing Restrictions

EXHIBITS:

Exhibit A	—	Form of Assignment and Assumption
Exhibit B	—	Form of Compliance Certificate
Exhibit C	—	Form of Guaranty Agreement (Material Subsidiaries)
Exhibit D	—	Form of Increased Commitment Supplement
Exhibit E	—	Form of Borrowing Request
Exhibit F	—	Form of Interest Election Request

SCHEDULE 1.01
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
EXISTING LETTERS OF CREDIT

<u>LC Number</u>	<u>Bank</u>	<u>Beneficiary</u>	<u>Amount</u>
CDCS-812901	JP Morgan Chase	ACE INA Insurance	\$ 4,300,000
D-218869	JP Morgan Chase	Cigna Insurance Co.	\$ 2,814,883
D-218998	JP Morgan Chase	Lumberman's Underwriting Alliance	\$ 74,000
NZS538172	Wells Fargo	ACE American Insurance Co.	\$ 32,244,343
A28695T	Compass	ACE American Insurance Co.	\$ 26,070,868
SM229872W	Wells Fargo	Wells Fargo IDB	\$ 2,641,425
SM229873W	Wells Fargo	Wells Fargo IDB	\$ 11,834,630
		Total	<u>\$ 79,980,149</u>

SCHEDULE 1.01, Solo Page

SCHEDULE 2.01
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
COMMITMENTS

Lender	Revolving Commitment
1. JPMorgan Chase Bank, National Association	\$ 80,000,000
2. Bank of America, N.A.	\$ 80,000,000
3. Wells Fargo Bank, N.A.	\$ 80,000,000
4. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	\$ 60,000,000
5. PNC Bank, National Association	\$ 60,000,000
6. U.S. Bank, National Association	\$ 40,000,000
7. Comerica Bank	\$ 27,500,000
8. The Northern Trust Company	\$ 27,500,000
9. BOKEF, N.A. dba Bank of Texas	\$ 27,500,000
10. Amegy Bank National Association	\$ 27,500,000
11. Fifth Third Bank	\$ 27,500,000
12. The Bank of Nova Scotia	\$ 22,500,000
13. Compass Bank	\$ 22,500,000
14. SunTrust Bank	\$ 22,500,000
15. Morgan Stanley Bank, N.A.	\$ 22,500,000
16. Branch Banking and Trust Company	\$ 22,500,000
TOTAL	\$ 650,000,000

SCHEDULE 2.01, Solo Page

SCHEDULE 3.12
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
MATERIAL SUBSIDIARIES

<u>Material Subsidiary</u>	<u>Jurisdiction</u>	<u>Ownership</u>
Allied Air Enterprises Inc.	Delaware	Borrower (100%)
Advanced Distributor Products LLC	Delaware	Heatcraft Inc. (100%)
Heatcraft Inc.	Delaware	Borrower (100%)
Heatcraft Refrigeration Products LLC	Delaware	Heatcraft Inc. (100%)
Lennox Global Ltd.	Delaware	Borrower (100%)
Lennox Industries Inc.	Delaware	Borrower (100%)
Service Experts LLC	Delaware	Lennox Industries Inc. (100%)
Service Experts Heating & Air Conditioning LLC	Delaware	Service Experts LLC (100%)

SCHEDULE 3.12, Solo Page

SCHEDULE 6.01
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
EXISTING INDEBTEDNESS

Indebtedness owing to BTMU Capital Corporation arising in connection with the Synthetic Lease in the amount of \$41,202,994.

SCHEDULE 6.01, Solo Page

SCHEDULE 6.02
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
EXISTING LIENS

The obligations of Lennox Procurement Company Inc. (“Lessee”) under the Synthetic Lease and under related documents are purportedly secured by a pledge of, and a purported Lien on, Lessee’s interest in the property leased pursuant to the Synthetic Lease.

SCHEDULE 6.02, Solo Page

SCHEDULE 6.04
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
EXISTING INVESTMENTS

1. 25% common stock ownership interest in Alliance Compressor LLC, a joint venture engaged in the manufacture and sale of compressors.
2. 50% common stock ownership in Frigus-Bohn S.A. de C.V., a Mexican joint venture that produces unit coolers and condensing units.
3. 8% common stock ownership interest in Kulthorn Kirby Public Company Limited, a Thailand company engaged in the manufacture of compressors for refrigeration applications.

SCHEDULE 6.04, Solo Page

SCHEDULE 6.10
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
EXISTING RESTRICTIONS

1. Receivables Purchase Agreement dated as of November 25, 2009, by and among Lennox Industries Inc., LPAC Corp., Victory Receivables Corporation, as a Purchaser, The Bank of Tokyo-Mitsubishi UFJ, LTD, New York Branch, as a Liquidity Bank, and The Bank of Toyko-Mitsubishi UFJ, LTD, New York Branch, as Administrative Agent and the BTMU Purchaser Agent.

a. Amendment No. 1 dated November 19, 2010, to the Receivables Purchase Agreement, dated as of November 25, 2009, with Victory Receivables Corporation, as a Purchaser, The Bank of Tokyo-Mitsubishi UFJ, LTD., New York Branch, as a Liquidity Bank, and The Bank of Tokyo-Mitsubishi UFJ, LTD., New York Branch as Administrative Agent and the BTMU Purchaser Agent.

2. Senior Unsecured Notes

3. The Synthetic Lease and the documents executed in connection therewith

SCHEDULE 6.10, Solo Page

EXHIBIT A
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT

FORM OF ASSIGNMENT AND ASSUMPTION

EXHIBIT A, Cover Page

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the "Assignor") and [Insert name of Assignee] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit, guarantees, and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

- 1. Assignor: _____
- 2. Assignee: _____
[and is an Affiliate/Approved Fund of [identify Lender]¹]
- 3. Borrower: Lennox International Inc.
- 4. Administrative Agent: JPMorgan Chase Bank, National Association, as the administrative agent under the Credit Agreement
- 5. Credit Agreement: The \$650,000,000 Fourth Amended and Restated Revolving Credit Facility Agreement dated as of October 21, 2011 among Lennox International Inc., the Lenders parties thereto, JPMorgan Chase Bank, National Association, as Administrative Agent, and the other agents parties thereto

¹ Select as applicable.

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans ²
	\$	\$	%
	\$	\$	%
	\$	\$	%

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The Assignee agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and their respective affiliates, the other Loan Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including Federal and state securities laws.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title: _____

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title: _____

² Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[Consented to and]³ Accepted:

[NAME OF ADMINISTRATIVE AGENT], as Administrative Agent

By: _____
Title: _____

[Consented to:]⁴

[NAME OF RELEVANT PARTY]

By: _____
Title: _____

³ To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

⁴ To be added only if the consent of the Borrower and/or other parties (e.g. Swingline Lender, Issuing Bank) is required by the terms of the Credit Agreement.

FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
PROVIDED TO LENNOX INTERNATIONAL INC.
STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of the Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of the Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, (v) if it is a Foreign Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee, and (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or other electronic communications shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by and construed in accordance with the applicable law pertaining in the State of New York, other than those conflict of law provisions that would defer to the substantive laws of another jurisdiction. This governing law election has been made by the parties in reliance (at least in part) on Section 5—1401 of the General Obligations Law of the State of New York, as amended (as and to the extent applicable), and other applicable law.

EXHIBIT B
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
COMPLIANCE CERTIFICATE

EXHIBIT B, Cover Page

COMPLIANCE CERTIFICATE
for the
quarter ending _____, _____

To: JPMorgan Chase Bank, National Association
Loan and Agency Services Group
10 South Dearborn Street, 7th Floor
Chicago, IL 60603
Attention: Nan Wilson
Telephone: 312-385-7084
Telecopy: 888-292-9533

and each Lender

Ladies and Gentlemen:

This Compliance Certificate (the "Certificate") is being delivered pursuant to Section 5.01(c) of that certain Fourth Amended and Restated Revolving Credit Facility Agreement (as amended, the "Agreement") dated as of October 21, 2011, among Lennox International Inc. (the "Borrower"), JPMorgan Chase Bank, National Association, as administrative agent, and the Lenders named therein. All capitalized terms, unless otherwise defined herein, shall have the same meanings as in the Agreement. All the calculations set forth below shall be made pursuant to the terms of the Agreement.

The undersigned, an authorized financial officer of the Borrower in his capacity as such financial officer and not in his individual capacity, does hereby certify to the Administrative Agent and the Banks that:

1. DEFAULT

No Default has occurred or, if a Default has occurred, I have described on the attached Exhibit "A" the nature thereof and the steps taken or proposed to remedy such Default.

2. SECTION 5.01 - Financial Statements

Compliance

	Yes	No	N/A
(a) Annual audited financial statements of the Borrower on a consolidated basis within 90 days after the end of each fiscal year end (together with Compliance Certificate).	Yes	No	N/A
(b) Quarterly unaudited financial statements of the Borrower on a consolidated basis within 45 days after the end of the first three fiscal quarters of each fiscal year (together with Compliance Certificate).	Yes	No	N/A

3. SECTION 7.01 -Leverage Ratio

(a) Total Indebtedness as of fiscal quarter end	\$ _____
(i) Principal amount of all obligations for borrowed money (including Revolver Loans)	\$ _____
(ii) Conditional sale or title retentions	\$ _____
(iii) Deferred purchase price	\$ _____

(iv) Obligations of others secured by a Lien	\$ _____		
(v) Capital Lease Obligations	\$ _____		
(vi) Letters of credit and banker's acceptances	\$ _____		
(vii) Total	\$ _____		
(b) Adjusted EBITDA (from Schedule 1)	\$ _____		
(c) Line 3(a) , Line 3(b)	___ to 1.00		
(d) Maximum Leverage Ratio permitted by Credit Agreement	3.50 to 1.00	Yes	No

4. SECTION 7.02 - Interest Coverage Ratio

(a) EBITDA for last four fiscal quarters	\$ _____		
(b) Capital Expenditures for last four fiscal quarters	\$ _____		
(c) Interest Expense for last four fiscal quarters	\$ _____		
(d) Total interest income received during last four fiscal quarters	\$ _____		
(e) Interest Coverage Ratio (lines (4(a) - (b)) / (4(c) - (d))	___ to 1.00		
(f) Maximum Interest Coverage Ratio permitted by Credit Agreement	3.00 to 1.00	Yes	No

5. Determination of Applicable Rate

(a) Leverage Ratio	___ to 1.00		
(b) If adjustment required, set forth below new margins and fees (see Schedule 2)			
(i) ABR Spread	_____ %		
(ii) Commitment Fee Rate	_____ %		
(iii) Eurodollar Spread	_____ %		
(iii) Eurodollar Daily Floating Rate Spread	_____ %		

6. ATTACHED SCHEDULES

Attached hereto as schedules are the calculations supporting the computation set forth above in this Certificate. All information contained herein and on the attached schedules is true and correct.

7. FINANCIAL STATEMENTS

The financial statements attached hereto were prepared in accordance with GAAP, except where expressly noted therein, and fairly present in all material respects (subject to year end audit adjustments and absence of footnotes) the financial conditions and the results of the operations of the Persons reflected thereon, at the date and for the periods indicated therein.

8. CONFLICT

In the event of conflict between this Certificate and the Credit Agreement, the Credit Agreement shall control.

9. REVOLVING EXPOSURE The total Revolving Exposure of all Lenders does not exceed the total Revolving Commitments of all Lenders.

IN WITNESS WHEREOF, the undersigned has executed this Certificate effective as of the date first written above.

LENNOX INTERNATIONAL INC.

By: _____
Name: _____
Title: _____

SCHEDULE 1
TO
COMPLIANCE CERTIFICATE

(1) Consolidated Net Income.	
Net income (loss) determined in accordance with GAAP	\$ _____
(2) EBITDA.	
(a) Consolidated Net Income (from line 1)	\$ _____
(b) the total of the following to the extent deducted from Consolidated Net Income:	
(i) income and franchise taxes,	\$ _____
(ii) Interest Expense,	\$ _____
(iii) amortization and depreciation expense,	\$ _____
(iv) non-cash charges resulting from the application of GAAP that requires a charge against earnings for the impairment of assets (including goodwill);	\$ _____
(v) any non-cash expenses that arose in connection with the grant of stock options or other equity based awards to officers, directors, consultants, and employees of the Borrower and its Subsidiaries;	\$ _____
(vi) any non-recurring charges which relate to the discontinuance of Subsidiary operations;	\$ _____
(vii) any non-recurring charges which relate to restructuring and severance activities; provided, that the total cash amount of such charges shall not exceed \$15,000,000 during any four fiscal quarter period (not taking into account any cash charges under (viii) below	\$ _____
(viii) any non-recurring charges which relate to the refinance of the lease of the Borrower's headquarters building located at 2140 Lake Park Blvd., Richardson, Texas; provided, that the total cash amount of such charges shall not exceed \$15,000,000 during the term of this Agreement;	\$ _____
(ix) any non-cash loss (or minus any gain) associated with the sale of assets not in the ordinary course of business,	
(x) extraordinary loss or other items (or minus any extraordinary gain or income);	\$ _____
(xii) any non-cash loss (or minus any non-cash gain) related to financial instrument hedges (other than foreign currency hedges)	\$ _____
(xiii) the cumulative non-cash effects of changes in accounting policies,	\$ _____
Total (lines (i) through (xiii))	\$ _____
(c) cash payments made in such period related to a non-cash expense (other than with respect to restructuring activities) added to Consolidated Net Income in a previous period.	\$ _____
(e) EBITDA: Lines 2(a) plus 2(b) minus 2(c)	\$ _____
(3) Adjusted EBITDA.	
(a) EBITDA (from Line 2(e))	\$ _____
(b) EBIDTDA from Prior Targets for periods prior to Acquisitions	\$ _____
(c) EBIDTDA for prior Companies and Prior Assets	\$ _____
(d) Total Adjusted EBITDA	\$ _____

SCHEDULE 2
TO
COMPLIANCE CERTIFICATE

Leverage Ratio	ABR Spread	Eurodollar Spread	Eurodollar Daily Swingline Spread	Commitment Fee Rate
Category 1 > 3.00 to 1.0	1.00%	2.00%	2.00%	0.35%
Category 2 £ 3.00 to 1.0 but > 2.50 to 1.0	0.75%	1.75%	1.75%	0.30%
Category 3 £ 2.50 to 1.0 but > 2.00 to 1.0	0.50%	1.50%	1.50%	0.25%
Category 4 £ 2.00 to 1.0 but > 1.50 to 1.0	0.25%	1.25%	1.25%	0.20%
Category 5 £ 1.50 to 1.0	0.00%	1.00%	1.00%	0.15%

SCHEDULE 2 to Compliance Certificate, Page 1

EXHIBIT C
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
GUARANTY AGREEMENT

EXHIBIT C, Cover Page

FOURTH AMENDED AND RESTATED SUBSIDIARY GUARANTY AGREEMENT

WHEREAS, LENNOX INTERNATIONAL INC. (the "Borrower") has entered into that certain Fourth Amended and Restated Revolving Credit Facility Agreement dated October 21, 2011 among Borrower, the lenders party thereto (the "Lenders"), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as the administrative agent for the Lenders (the "Administrative Agent") (such Credit Agreement, as it may hereafter be amended or otherwise modified from time to time, being hereinafter referred to as the "Credit Agreement", and capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Credit Agreement);

WHEREAS, this Guaranty Agreement amends and restates that certain Third Amended and Restated Subsidiary Guaranty Agreement dated as of October 12, 2007 executed by the Guarantors in favor of Bank of America, N.A., as administrative agent, in its entirety;

WHEREAS, the execution of this Guaranty Agreement is a condition to the Administrative Agent's and each Lender's obligations under the Credit Agreement;

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, each of the undersigned Subsidiaries and any Subsidiary hereafter added as a "Guarantor" hereto pursuant to a Subsidiary Joinder Agreement in the form attached hereto as Exhibit A (individually a "Guarantor" and collectively the "Guarantors"), hereby irrevocably and unconditionally guarantees to the Secured Parties the full and prompt payment and performance of the Guaranteed Indebtedness (hereinafter defined), this Guaranty Agreement being upon the following terms:

1. Guaranteed Indebtedness. The term "Guaranteed Indebtedness", as used herein, means all of the Obligations, as defined in the Credit Agreement. The "Guaranteed Indebtedness" shall include any and all post-petition interest and expenses (including attorneys' fees) whether or not allowed under any bankruptcy, insolvency, or other similar law; provided that the Guaranteed Indebtedness shall be limited, with respect to each Guarantor, to an aggregate amount equal to the largest amount that would not render such Guarantor's obligations hereunder subject to avoidance under Section 544 or 548 of the United States Bankruptcy Code or under any applicable state law relating to fraudulent transfers or conveyances.

2. Contribution Agreement. The Guarantors together desire to allocate among themselves (collectively, the "Contributing Guarantors"), in a fair and equitable manner, their obligations arising under this Guaranty Agreement and the other Loan Documents. Accordingly, in the event any payment or distribution is made by a Guarantor under this Guaranty Agreement or under the other Loan Documents (a "Funding Guarantor") that exceeds its Fair Share (as defined below), that Funding Guarantor shall be entitled to a contribution from each of the other Contributing Guarantors in the amount of such other Contributing Guarantor's Fair Share Shortfall (as defined below), with the result that all such contributions will cause each Contributing Guarantor's Aggregate Payments (as defined below) to equal its Fair Share. "Fair Share" means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (i) the ratio of (x) the Adjusted Maximum Amount (as defined below) with respect to such Contributing Guarantor to (y) the aggregate of the Adjusted Maximum Amounts with respect to all Contributing Guarantors, multiplied by (ii) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under the Loan Documents in respect of the obligations guaranteed. "Fair Share Shortfall" means, with respect to a Contributing Guarantor as of any date of determination, the excess, if any, of the Fair Share of such Contributing Guarantor over the Aggregate Payments of such Contributing Guarantor. "Adjusted Maximum Amount" means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under this Guaranty Agreement determined in accordance

with the provisions hereof; provided that, solely for purposes of calculating the “Adjusted Maximum Amount” with respect to any Contributing Guarantor for purposes of this paragraph 2, the assets or liabilities arising by virtue of any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. “Aggregate Payments” means, with respect to a Contributing Guarantor as of any date of determination, the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of this Guaranty Agreement (including, without limitation, in respect of this paragraph 2) and the other Loan Documents. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among Contributing Guarantors of their obligations as set forth in this paragraph 2 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder.

3. Absolute and Irrevocable Guaranty. This instrument shall be an absolute, continuing, irrevocable and unconditional guaranty of payment and performance, and not a guaranty of collection, and each Guarantor shall remain liable on its obligations hereunder until the payment and performance in full of the Guaranteed Indebtedness. No set-off, counterclaim, recoupment, reduction, or diminution of any obligation, or any defense of any kind or nature which Borrower may have against any Secured Party or any other party, or which any Guarantor may have against Borrower, any Secured Party or any other party, shall be available to, or shall be asserted by, any Guarantor against any Secured Party or any subsequent holder of the Guaranteed Indebtedness or any part thereof or against payment of the Guaranteed Indebtedness or any part thereof other than Full Satisfaction of the Obligations. If the payment of any amount of principal of, interest with respect to or any other amount constituting the Guaranteed Indebtedness, or any portion thereof, is rescinded, voided or must otherwise be refunded by the Administrative Agent or any Loan Party for any reason, then the Guaranteed Indebtedness and all terms and provisions of this Guaranty Agreement will be automatically reinstated and become automatically effective and in full force and effect, all to the extent that and as though such payment so rescinded, voided or otherwise refunded had never been made.

4. Rights Cumulative. If a Guarantor becomes liable for any indebtedness owing by Borrower to any Secured Party by endorsement or otherwise, other than under this Guaranty Agreement, such liability shall not be in any manner impaired or affected hereby, and the rights of the Secured Parties hereunder shall be cumulative of any and all other rights that any Secured Party may ever have against such Guarantor. The exercise by any Secured Party of any right or remedy hereunder or under any other instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy.

5. Agreement to Pay Guaranteed Indebtedness. In the event of default by Borrower in payment or performance of the Guaranteed Indebtedness, or any part thereof, when such Guaranteed Indebtedness becomes due, whether by its terms, by acceleration, or otherwise, the Guarantors shall, jointly and severally, promptly pay the amount due thereon to Administrative Agent, without notice or demand, in lawful currency of the United States of America, and it shall not be necessary for Administrative Agent or any other Secured Party, in order to enforce such payment by any Guarantor, first to institute suit or exhaust its remedies against Borrower or others liable on such Guaranteed Indebtedness, or to enforce any rights against any collateral which shall ever have been given to secure such Guaranteed Indebtedness. In the event such payment is made by a Guarantor, then such Guarantor shall be subrogated to the rights then held by Administrative Agent and any other Secured Party with respect to the Guaranteed Indebtedness to the extent to which the Guaranteed Indebtedness was discharged by such Guarantor. Notwithstanding the foregoing, upon payment by such Guarantor of any sums to Administrative Agent or any other Secured Party hereunder, all rights of such Guarantor against Borrower, any other guarantor or any collateral arising as a result therefrom by way of right of subrogation, reimbursement, contribution or otherwise shall in all respects be subordinate and junior in

right of payment to the prior Full Satisfaction of the Obligations. All payments received by the Administrative Agent hereunder shall be applied by the Administrative Agent to payment of the Guaranteed Indebtedness in the order provided for in Section 2.17(f) of the Credit Agreement.

6. Stay of Acceleration. If acceleration of the time for payment of any amount payable by Borrower under the Guaranteed Indebtedness is stayed upon the insolvency, bankruptcy, or reorganization of Borrower, all such amounts otherwise subject to acceleration under the terms of the Guaranteed Indebtedness shall nonetheless be payable by the Guarantors hereunder forthwith on demand by Administrative Agent or any other Secured Party.

7. Obligations Not Impaired. Each Guarantor hereby agrees that its obligations under the Loan Documents shall not be released, discharged, diminished, impaired, reduced, or affected for any reason or by the occurrence of any event, including, without limitation, one or more of the following events, whether or not with notice to or the consent of any Guarantor: (a) the taking or accepting of collateral as security for any or all of the Guaranteed Indebtedness or the release, surrender, exchange, or subordination of any collateral now or hereafter securing any or all of the Guaranteed Indebtedness; (b) any partial release of the liability of any Guarantor hereunder, or the full or partial release of any other guarantor from liability for any or all of the Guaranteed Indebtedness; (c) any disability of Borrower, or the dissolution, insolvency, or bankruptcy of Borrower, any Guarantor, or any other party at any time liable for the payment of any or all of the Guaranteed Indebtedness; (d) any renewal, extension, modification, waiver, amendment, or rearrangement of any or all of the Guaranteed Indebtedness or any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Indebtedness; (e) any adjustment, indulgence, forbearance, waiver, or compromise that may be granted or given by Administrative Agent or any other Secured Party to Borrower, any Guarantor, or any other party ever liable for any or all of the Guaranteed Indebtedness; (f) any neglect, delay, omission, failure, or refusal of Administrative Agent or any other Secured Party to take or prosecute any action for the collection of any of the Guaranteed Indebtedness or to foreclose or take or prosecute any action in connection with any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Indebtedness; (g) the unenforceability or invalidity of any or all of the Guaranteed Indebtedness or of any instrument, document, or agreement evidencing, securing, or otherwise relating to any or all of the Guaranteed Indebtedness; (h) any payment by Borrower or any other party to Administrative Agent or any other Secured Party is held to constitute a preference under applicable bankruptcy or insolvency law or if for any other reason Administrative Agent or any other Secured Party is required to refund any payment or pay the amount thereof to someone else; (i) the settlement or compromise of any of the Guaranteed Indebtedness; (j) the non-perfection of any security interest or lien securing any or all of the Guaranteed Indebtedness; (k) any impairment of any collateral securing any or all of the Guaranteed Indebtedness; (l) the failure of Administrative Agent or any other Secured Party to sell any collateral securing any or all of the Guaranteed Indebtedness in a commercially reasonable manner or as otherwise required by law; (m) any change in the corporate existence, structure, or ownership of Borrower; or (n) any other circumstance which might otherwise constitute a defense available to, or discharge of, Borrower or any other Guarantor (other than the Full Satisfaction of the Obligations).

8. Representations and Warranties. Each Guarantor represents and warrants to Administrative Agent and the Lenders as follows:

(a) Credit Agreement Representations. All representations and warranties in the Credit Agreement relating to it are true and correct as of the date hereof and on each date the representations and warranties hereunder are restated pursuant to any of the Loan Documents with the same force and effect as if such representations and warranties had

been made on and as of such date except to the extent that such representations and warranties relate specifically to another date.

(b) Independent Analysis. It has, independently and without reliance upon Administrative Agent or any Lender and based upon such documents and information as it has deemed appropriate, made its own analysis and decision to enter into the Loan Documents to which it is a party.

(c) Borrower Information. It has adequate means to obtain from Borrower on a continuing basis information concerning the financial condition and assets of Borrower and it is not relying upon Administrative Agent or any Lender to provide (and neither the Administrative Agent nor any Lender shall have any duty to provide) any such information to it either now or in the future.

(d) Benefit of Guaranty. The value of the consideration received and to be received by each Guarantor as a result of Borrower's and the Lenders' entering into the Credit Agreement and each Guarantor's executing and delivering this Guaranty Agreement is reasonably worth at least as much as the liability and obligation of each Guarantor hereunder, and such liability and obligation and the Credit Agreement have benefited and may reasonably be expected to benefit each Guarantor directly or indirectly.

9. Covenants of Guarantor. Each Guarantor covenants and agrees that until the Loan Obligations have been Fully Satisfied, it will comply with all covenants set forth in the Credit Agreement specifically applicable to it.

10. Right of Set Off. When an Event of Default exists and subject to the terms of Section 2.17 of the Credit Agreement, Administrative Agent and each other Secured Party shall have the right to set-off and apply against this Guaranty Agreement or the Guaranteed Indebtedness or both, at any time and without notice to any Guarantor, any and all deposits (general or special, time or demand, provisional or final) or other sums at any time credited by or owing from Administrative Agent and each other Secured Party to any Guarantor whether or not the Guaranteed Indebtedness is then due and irrespective of whether or not Administrative Agent or any other Secured Party shall have made any demand under this Guaranty Agreement. Each Secured Party agrees promptly to notify the Borrower (with a copy to the Administrative Agent) after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights and remedies of Administrative Agent and other Secured Parties hereunder are in addition to other rights and remedies (including, without limitation, other rights of set-off) which Administrative Agent or any other Secured Party may have.

11. Intercompany Subordination.

(a) Debt Subordination. Each Guarantor hereby agrees that the Subordinated Indebtedness (as defined below) shall be subordinate and junior in right of payment to the Full Satisfaction of the Obligations. The Subordinated Indebtedness shall not be payable, and no payment of principal, interest or other amounts on account thereof, and no property or guarantee of any nature to secure or pay the Subordinated Indebtedness shall be made or given, directly or indirectly by or on behalf of any Debtor (hereafter defined) or received, accepted, retained or applied by any Guarantor unless and until the Obligations shall have been Fully Satisfied; except that prior to the occurrence and continuance of an Event of Default, each Debtor shall have the right to make payments and a Guarantor shall have the right to receive payments on the Subordinated Indebtedness from time to time in the ordinary course of business. When an Event of Default exists, no payments may be made or given on the Subordinated

Indebtedness, directly or indirectly, by or on behalf of any Debtor or received, accepted, retained or applied by any Guarantor unless and until the Obligations shall have been Fully Satisfied. If any sums shall be paid to a Guarantor by any Debtor or any other Person on account of the Subordinated Indebtedness when such payment is not permitted hereunder, such sums shall be held in trust by such Guarantor for the benefit of Administrative Agent and the other Secured Parties and shall forthwith be paid to Administrative Agent and applied by Administrative Agent against the Guaranteed Indebtedness in accordance with this Guaranty Agreement. For purposes of this Guaranty Agreement and with respect to a Guarantor, the term “Subordinated Indebtedness” means all indebtedness, liabilities, and obligations of Borrower or any other Guarantor (Borrower and such other Guarantor herein the “Debtors”) to such Guarantor, whether such indebtedness, liabilities, and obligations now exist or are hereafter incurred or arise, or are direct, indirect, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such indebtedness, liabilities, or obligations are evidenced by a note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such indebtedness, obligations, or liabilities may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by such Guarantor.

(b) Lien Subordination. Each Guarantor agrees that any and all Liens (including any judgment liens), upon any Debtor’s assets securing payment of any Subordinated Indebtedness shall be and remain inferior and subordinate to any and all Liens upon any Debtor’s assets securing payment of the Guaranteed Indebtedness or any part thereof, regardless of whether such Liens in favor of a Guarantor, Administrative Agent or any other Secured Party presently exist or are hereafter created or attached. Without the prior written consent of Administrative Agent, no Guarantor shall (i) file suit against any Debtor or exercise or enforce any other creditor’s right it may have against any Debtor, or (ii) foreclose, repossess, sequester, or otherwise take steps or institute any action or proceedings (judicial or otherwise, including without limitation the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor’s relief or insolvency proceeding) to enforce any obligations of any Debtor to such Guarantor or any Liens held by such Guarantor on assets of any Debtor.

(c) Insolvency Proceeding. In the event of any receivership, bankruptcy, reorganization, rearrangement, debtor’s relief, or other insolvency proceeding involving any Debtor as debtor, Administrative Agent shall have the right to prove and vote any claim under the Subordinated Indebtedness and to receive directly from the receiver, trustee or other court custodian all dividends, distributions, and payments made in respect of the Subordinated Indebtedness until the Obligations have been Fully Satisfied. The Administrative Agent may apply any such dividends, distributions, and payments against the Guaranteed Indebtedness in accordance with the Credit Agreement.

12. Amendment and Waiver. Except for modifications made pursuant to the execution and delivery of a Subsidiary Joinder Agreement (which needs to be signed only by the Subsidiary party thereto) and the release of any Guarantor from its obligations hereunder (which shall require the consent of all Lenders except as otherwise provided in Section 9.10 of the Credit Agreement); no amendment or waiver of any provision of this Guaranty Agreement or consent to any departure by any Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed by the parties required by Section 10.02(b) of the Credit Agreement. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

13. Tolling of Statutes of Limitation. To the extent permitted by law, any acknowledgment or new promise, whether by payment of principal or interest or otherwise and whether by Borrower or others (including any Guarantor), with respect to any of the Guaranteed Indebtedness shall, if the statute of limitations in favor of a Guarantor against Administrative Agent or any other Secured Party shall have commenced to run, toll the running of such statute of limitations and, if the period of such statute of limitations shall have expired, prevent the operation of such statute of limitations.

14. Successor and Assigns. This Guaranty Agreement is for the benefit of the Secured Parties and their successors and assigns, and in the event of an assignment of the Guaranteed Indebtedness, or any part thereof, the rights and benefits hereunder, to the extent applicable to the indebtedness so assigned, may be transferred with such indebtedness. This Guaranty Agreement is binding not only on each Guarantor, but on each Guarantor's successors and assigns. No Guarantor may assign or otherwise transfer any of its rights or obligations hereunder without prior written consent of each Lender except as otherwise permitted by the Credit Agreement and any attempted assignment or transfer without such consent shall be null and void.

15. Reliance and Inducement. Each Guarantor recognizes that Administrative Agent and the Lenders are relying upon this Guaranty Agreement and the undertakings of each Guarantor hereunder and under the other Loan Documents to which each is a party in making extensions of credit to Borrower under the Credit Agreement and further recognizes that the execution and delivery of this Guaranty Agreement and the other Loan Documents to which each Guarantor is a party is a material inducement to Administrative Agent and the Lenders in entering into the Credit Agreement and continuing to extend credit thereunder. Each Guarantor hereby acknowledges that there are no conditions to the full effectiveness of this Guaranty Agreement or any other Loan Document to which it is a party.

16. Notice. Any notice or demand to any Guarantor under or in connection with this Guaranty Agreement or any other Loan Document to which it is a party shall be deemed effective if given to the Guarantor, care of Borrower in accordance with the notice provisions in the Credit Agreement.

17. Expenses. The Guarantors shall, jointly and severally, pay on demand all reasonable attorneys' fees and all other reasonable costs and expenses incurred by Administrative Agent and the other Secured Parties in connection with the administration, enforcement, or collection of this Guaranty Agreement.

18. Waiver of Promptness, Diligence, etc. Except as otherwise specifically provided in the Credit Agreement, each Guarantor hereby waives promptness, diligence, notice of any default under the Guaranteed Indebtedness, demand of payment, notice of acceptance of this Guaranty Agreement, presentment, notice of protest, notice of dishonor, notice of the incurring by Borrower of additional indebtedness, and all other notices and demands with respect to the Guaranteed Indebtedness and this Guaranty Agreement.

19. Incorporation of Credit Agreement. The Credit Agreement, and all of the terms thereof, are incorporated herein by reference (including, without limitation, Section 10.03(b) and 10.19 thereof), the same as if stated verbatim herein, and each Guarantor agrees that Administrative Agent and the Lenders may exercise any and all rights granted to any of them under the Credit Agreement and the other Loan Documents without affecting the validity or enforceability of this Guaranty Agreement.

20. Entire Agreement. This Guaranty Agreement embodies the final, entire agreement of each Guarantor, agent and the other Loan Parties with respect to each Guarantor's guaranty of the Guaranteed Indebtedness and supersedes any and all prior commitments, agreements, representations, and understandings, whether written or oral, relating to the subject matter hereof. This Guaranty Agreement is intended by each Guarantor, Administrative Agent and the other Loan Parties as a final and complete expression of the terms of the Guaranty Agreement, and no course of dealing among any Guarantor, the Administrative Agent and any other Loan Parties, no course of performance, no trade practices, and no evidence of prior, contemporaneous or subsequent oral agreements or discussions or other extrinsic evidence of any nature shall be used to contradict, vary, supplement or modify any term of this Guaranty Agreement.

21. No Waiver. No failure or delay by the Administrative Agent or any Secured Party in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

22. Reserved.

23. Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Guaranty Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent or any Secured Party may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect until the Obligations have been Fully Satisfied.

24. Counterparts. This Guaranty Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Guaranty Agreement by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Guaranty Agreement.

25. Severability. Any provision of this Guaranty Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

26. Governing Law. This Guaranty Agreement shall be governed by and construed in accordance with the applicable law pertaining in the State of New York, other than those conflict of law provisions that would defer to the substantive laws of another jurisdiction. This governing law election has been made by the parties in reliance (at least in part) on Section 5—1401 of the General Obligations Law of the State of New York, as amended (as and to the extent applicable), and other applicable law.

27. Jurisdiction. EACH GUARANTOR HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS GUARANTY AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY OTHER SECURED PARTY MAY OTHERWISE HAVE TO BRING ANY ACTION OR

PROCEEDING RELATING TO THIS GUARANTY AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY GUARANTOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

28. Venue. Each Guarantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Guaranty Agreement or any other Loan Document in any court referred to paragraph 27. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

29. Service of Process. Each party to this Guaranty Agreement irrevocably consents to service of process in the manner provided for notices in paragraph 16. Nothing in this Guaranty Agreement or any other Loan Document will affect the right of any party to this Guaranty Agreement to serve process in any other manner permitted by law. Each Guarantor hereby irrevocably designates, appoints and empowers the Borrower as its designee, appointee and agent to receive, accept and acknowledge for and on its behalf, and in respect of its property, service of any and all legal process, summons, notices and documents which may be served in any such action or proceeding.

30. Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTY AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS GUARANTY AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS PARAGRAPH.

31. Headings. All paragraph headings used herein are for convenience of reference only, are not part of this Guaranty Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Guaranty Agreement.

EXECUTED as of the date first written above.

GUARANTORS:

ALLIED AIR ENTERPRISES INC.
ADVANCED DISTRIBUTOR PRODUCTS LLC
HEATCRAFT INC.
HEATCRAFT REFRIGERATION PRODUCTS LLC
LENNOX GLOBAL LTD.
LENNOX INDUSTRIES INC.
SERVICE EXPERTS LLC
SERVICE EXPERTS HEATING & AIR CONDITIONING LLC

By: _____
Rick Pelini, Authorized Officer for each Guarantor

EXHIBIT "A"
TO
GUARANTY AGREEMENT
Subsidiary Joinder Agreement

EXHIBIT "A" to GUARANTY AGREEMENT (Subsidiaries), Cover Page

SUBSIDIARY JOINDER AGREEMENT

This SUBSIDIARY JOINDER AGREEMENT (the “Agreement”) dated as of _____, 201_ is executed by the undersigned (the “Debtor”) for the benefit of JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, in its capacity as agent for the lenders party to the hereafter identified Credit Agreement (in such capacity herein, the “Agent”) and for the benefit of such lenders in connection with that certain Fourth Amended and Restated Revolving Credit Facility Agreement among LENNOX INTERNATIONAL INC. (“Borrower”), the lenders party thereto (the “Lenders”), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as the administrative agent for the Lenders (the “Agent”) (such Credit Agreement, as it may hereafter be amended or otherwise modified from time to time, being hereinafter referred to as the “Credit Agreement”, and capitalized terms not otherwise defined herein shall have the same meaning as set forth in the Credit Agreement) (as modified, the “Credit Agreement”, and capitalized terms not otherwise defined herein being used herein as defined in the Credit Agreement).

The Debtor [**is a newly formed or newly acquired Material Subsidiary and**] is required to execute this Agreement pursuant to Sections 5.11 of the Credit Agreement.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby agrees as follows:

1. The Debtor hereby assumes all the obligations of a “Guarantor” under the Guaranty Agreement and agrees that it is a “Guarantor” and bound as a “Guarantor” under the terms of the Guaranty Agreement as if it had been an original signatory thereto. In accordance with the foregoing and for valuable consideration, the receipt and adequacy of which are hereby acknowledged, Debtor irrevocably and unconditionally guarantees to the Administrative Agent and the other Secured Parties the full and prompt payment and performance of the Guaranteed Indebtedness (as defined in the Guaranty Agreement) upon the terms and conditions set forth in the Guaranty Agreement.

2. This Agreement shall be deemed to be part of, and a modification to, the Guaranty Agreement and shall be governed by all the terms and provisions of the Guaranty Agreement, which terms are incorporated herein by reference, are ratified and confirmed and shall continue in full force and effect as valid and binding agreements of Debtor enforceable against Debtor. The Debtor hereby waives notice of Agent’s, the Issuing Bank’s or any other Secured Parties’ acceptance of this Agreement.

IN WITNESS WHEREOF, the Debtor has executed this Agreement as of the day and year first written above.

Debtor:

By:

Name: _____

Title: _____

EXHIBIT "D"
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
INCREASED COMMITMENT SUPPLEMENT

EXHIBIT D, Cover Page

INCREASED COMMITMENT SUPPLEMENT

This INCREASED COMMITMENT SUPPLEMENT (this “Supplement”) is dated as of _____, ___ and entered into by and among LENNOX INTERNATIONAL INC., a Delaware corporation (the “Borrower”), each of the banks or other lending institutions which is a signatory hereto (the “Lenders”), JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, as agent for itself and the other lenders (in such capacity, together with its successors in such capacity, the “Agent”), and is made with reference to that certain Fourth Amended and Restated Revolving Credit Facility Agreement dated as of October 21, 2011 (as amended, the “Credit Agreement”), by and among the Company, certain lenders and the Agent. Capitalized terms used herein without definition shall have the same meanings herein as set forth in the Credit Agreement.

RECITALS

WHEREAS, pursuant to Section 2.19 of the Credit Agreement, the Borrower and the Lenders are entering into this Increased Commitment Supplement to provide for the increase of the aggregate Revolving Commitments;

WHEREAS, each Lender [party hereto and already a party to the Credit Agreement] wishes to increase its Revolving Commitment [, and each Lender, to the extent not already a Lender party to the Credit Agreement (herein a “New Lender”), wishes to become a Lender party to the Credit Agreement];⁵

WHEREAS, the Lenders are willing to agree to supplement the Credit Agreement in the manner provided herein.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Section 1. Increase in Revolving Commitments. Subject to the terms and conditions hereof, each Lender severally agrees that its Revolving Commitment shall be increased to [or in the case of a New Lender, shall be] the amount set forth opposite its name on the signature pages hereof.

Section 2. [New Lenders. Each New Lender (i) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements of the Borrower delivered under Section 5.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Supplement; (ii) agrees that it has, independently and without reliance upon the Agent, any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Supplement; (iii) agrees that it will, independently and without reliance upon the Agent, any other Lender or any of their Related Parties and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iv) appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement as are delegated to the Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; and (v) agrees that it is a “Lender” under the Credit Agreement and will perform in accordance

⁵ Bracketed alternatives should be included if there are New Banks.

with their terms all of the obligations that by the terms of the Credit Agreement are required to be performed by it as a Lender.

Section 3. Representations and Warranties. In order to induce the Lenders to enter into this Supplement and to supplement the Credit Agreement in the manner provided herein, Borrower represents and warrants to Agent and each Lender that (a) the representations and warranties of the Borrower and the Guarantors contained in the Loan Documents are and will be true, correct and complete in all material respects on and as of the effective date hereof to the same extent as though made on and as of that date and for that purpose, this Supplement shall be deemed to be a Loan Document, and (b) no event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Supplement that would constitute a Default.

Section 4. Effect of Supplement. The terms and provisions set forth in this Supplement shall modify and supersede all inconsistent terms and provisions set forth in the Credit Agreement and except as expressly modified and superseded by this Supplement, the terms and provisions of the Credit Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. The Borrower, the Agent, and the Lenders party hereto agree that the Credit Agreement as supplemented hereby and the other Loan Documents shall continue to be legal, valid, binding and enforceable in accordance with their respective terms. Any and all agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Credit Agreement as supplemented hereby, are hereby amended so that any reference in such documents to the Agreement shall mean a reference to the Agreement as supplemented hereby.

Section 5. Applicable Law. This Supplement shall be governed by and construed in accordance with the applicable law pertaining in the State of New York, other than those conflict of law provisions that would defer to the substantive laws of another jurisdiction. This governing law election has been made by the parties in reliance (at least in part) on Section 5-1401 of the General Obligations Law of the State of New York, as amended (as and to the extent applicable), and other applicable law.

Section 7. Counterparts, Effectiveness. This Supplement may be executed in any number of counterparts, by different parties hereto in separate counterparts and on telecopy counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. This Supplement shall become effective upon the execution of a counterpart hereof by the Borrower, the Lenders and receipt by the Borrower and the Agent of written or telephonic notification of such execution and authorization of delivery thereof.

Section 8. ENTIRE AGREEMENT. THIS SUPPLEMENT EMBODIES THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES RELATING TO THE SUBJECT MATTER HEREOF AND SUPERSEDES ANY AND ALL PREVIOUS COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER ORAL OR WRITTEN, RELATING TO THE SUBJECT MATTER HEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

LENNOX INTERNATIONAL INC.

By: _____
Name: _____
Title: _____

New Total Revolving Commitment:
\$ _____

JPMORGAN CHASE BANK,
NATIONAL ASSOCIATION, as the Agent

By: _____
Name: _____
Title: _____

\$ _____

[BANK]

By: _____
Name: _____
Title: _____

\$ _____

[NEW LENDER]

By: _____
Name: _____
Title: _____

CONSENT OF GUARANTORS

Each Guarantor: (i) consents and agrees to this Supplement; (ii) agrees that each of the Loan Documents to which it is a party is in full force and effect and continues to be its legal, valid and binding obligation enforceable in accordance with its respective terms; and (iii) agrees that the obligations, indebtedness and liabilities of the Borrower arising as a result of the increase in the Revolving Commitments contemplated hereby are "Guaranteed Indebtedness" as defined in the Guaranty Agreement.

[List Guarantors]

By: _____
Name: _____
Title: _____

EXHIBIT "E"
TO
LENNOX INTERNATIONAL INC.
CREDIT AGREEMENT
Borrowing Request

EXHIBIT E, Cover Page

BORROWING REQUEST

_____, __, ____

JPMorgan Chase Bank, National Association
Loan and Agency Services Group
10 South Dearborn Street, 7th Floor
Chicago, IL 60603
Attention: Nan Wilson
Telephone: 312-385-7084
Telecopy: 888-292-9533

and each Lender

Ladies and Gentlemen:

The undersigned, Lennox International Inc. (the "Borrower"), refers to the Fourth Amended and Restated Revolving Credit Facility Agreement dated as of October 21, 2011 among the Borrower, the Lenders party thereto and JPMorgan Chase Bank, National Association as the Administrative Agent (as otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Borrower hereby gives the Administrative Agent and the Lenders notice pursuant to Section 2.03 of the Credit Agreement that the Borrower requests a Borrowing under the Credit Agreement, and in connection therewith sets forth below the information relating to such Borrowing (the "Requested Borrowing").

- (i) The date of the Requested Borrowing is _____;
- (ii) The aggregate principal amount of the Requested Borrowing is \$_____;
- (iii) The Type or Types of the Borrowing requested (*i.e.*, ABR Borrowing or Eurodollar Borrowing) and, if applicable the Interest Periods applicable thereto are set forth in the table below:

	Amount	Type	Interest Period (if applicable)
1.			_____ Month(s)
2.			_____ Month(s)
3.			_____ Month(s)
4.			_____ Month(s)
5.			_____ Month(s)
6.			_____ Month(s)

- (vi) The proceeds of the Requested Borrowing should be disbursed directly to the entities in the amounts and in accordance with the transfer instructions set forth in the table below:

Dollar Amount	Recipient	Instructions
\$		
\$		
\$		
\$		

By its execution below, the Borrower represents and warrants to the Administrative Agent and the Lenders:

(i) At the time of and immediately after giving effect to the Requested Borrowing, no Default exists;

(ii) The representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct on and as of the date of such Requested Borrowing except to the extent such representations and warranties specifically relate to any 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

(iii) After giving effect to the credit extended pursuant to this request, the total Revolving Exposure of all Lenders shall not exceed the total Revolving Commitments of all Lenders.

The instructions set forth herein are irrevocable, except as otherwise provided by the Credit Agreement. A telecopy of these instructions shall be deemed valid and may be accepted and relied upon by the Administrative Agent and the Lenders as an original.

LENNOX INTERNATIONAL INC.

By: _____
 Name: _____
 Title: _____

EXHIBIT "F"
TO
LENNOX INTERNATIONAL INC.
FOURTH AMENDED AND RESTATED REVOLVING CREDIT FACILITY AGREEMENT
Interest Election Request

EXHIBIT F, Cover Page

INTEREST ELECTION REQUEST

_____, 201_

JPMorgan Chase Bank, National Association
Loan and Agency Services Group
10 South Dearborn Street, 7th Floor
Chicago, IL 60603
Attention: Nan Wilson
Telephone: 312-385-7084
Telecopy: 888-292-9533

and each Lender

Ladies and Gentlemen:

The undersigned, Lennox International Inc. (the "Borrower"), refers to the Fourth Amended and Restated Revolving Credit Facility Agreement dated as of October 21, 2011 among the Borrower, the Lenders party thereto and JPMorgan Chase Bank, National Association, as the Administrative Agent (as amended or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The Borrower hereby gives the Administrative Agent and the Lenders notice pursuant to Section 2.07 of the Credit Agreement that the Borrower requests a conversion or continuation (a "Change") of the Borrowing or Borrowings specified on Schedule 1.

By its execution below, the Borrower represents and warrants to the Administrative Agent and the Lenders:

(i) At the time of and immediately after giving effect to the requested Change, no Default exists; and

(ii) The representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct on and as of the date of the requested Change except to the extent such representations and warranties specifically relate to any earlier date in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date.

The instructions set forth herein are irrevocable, except as otherwise provided by the Credit Agreement. A telecopy of these instructions shall be deemed valid and may be accepted and relied upon by the Administrative Agent and the Lenders as an original.

LENNOX INTERNATIONAL INC.

By: _____
Name: _____
Title: _____

SCHEDULE 1
TO
INTEREST ELECTION REQUEST

<u>Current Class Revolver)</u>	<u>Current Type (ABR or Eurodollar)</u>	<u>Current Principal Amount</u>	<u>Current Interest Period Expiration Date</u>	<u>Continue as (Type)</u>	<u>Convert to (Type)</u>	<u>New Interest Period Length</u>	<u>Effective Date</u>
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Lennox International Reports Third Quarter Results

- **Total revenue up 13%, with organic revenue up 4%**
- **Adjusted EPS of \$0.80 and GAAP EPS of \$0.64**
- **2011 revenue growth guidance range now 7-9%**
- **Narrowing 2011 adjusted EPS guidance range to \$2.00-\$2.15**
- **Repurchased \$55 million of stock in the third quarter**
- **Repurchased \$90 million of stock year-to-date and increasing buyback target to \$120 million in total for 2011**

DALLAS, October 25 – Lennox International Inc. (NYSE: LII) today reported financial results for the third quarter of 2011.

Revenue for the third quarter was \$923 million, up 13% from the prior-year quarter including a 2 point positive impact from foreign exchange. Excluding the Kysor/Warren acquisition that closed in January 2011, organic revenue was up 4% in the third quarter. At constant currency, organic revenue was up 2% from the prior-year quarter. Diluted earnings per share from continuing operations on an adjusted basis was \$0.80, compared to \$0.83 in the prior-year quarter. Diluted earnings per share from continuing operations on a GAAP basis was \$0.64, compared to \$0.76 in the prior-year quarter.

“Revenue from our Residential business was up slightly in the third quarter, led by a 4% increase in shipments as well as price realization, although product mix was down from a year ago when the federal government’s \$1,500 tax credit for high-efficiency cooling and heating products was still in place,” said Todd Bluedorn, CEO of Lennox International. “Commercial revenue was up 10% at constant currency as we continued to see strong, broad-based growth across the business, as well as favorable price and mix. Refrigeration organic revenue was up 4% at constant currency, adjusted for the strategic exit of third-party coil business in Australia last year. Refrigeration also realized favorable price and mix on top of shipment growth. In our Service Experts business, residential revenue was down, while commercial revenue was up 6%. Overall, the company had strong cash generation in the third quarter with free cash flow of \$132 million and repurchased \$55 million of stock and paid out \$10 million in dividends. For 2011, we now expect company revenue growth of 7-9% and are narrowing our guidance range for adjusted EPS to \$2.00-\$2.15 for the year.”

FINANCIAL HIGHLIGHTS

Revenue: Revenue for the third quarter was \$923 million, up 13% from the prior-year quarter, including a positive 2 point impact from foreign exchange. On an organic basis and at constant currency, revenue was up 2% from the third quarter a year ago. Volume was up, and price/mix was flat from the prior-year quarter.

Gross Profit: Gross profit for the third quarter was \$231 million, down 1% from \$233 million in the prior-year quarter. Gross margin was 25.0% compared to 28.5% in the prior-year quarter. Gross margin was impacted primarily by higher raw and component commodity costs, lower product mix, and the Kysor/Warren acquisition, partially offset by favorable price.

Income from Continuing Operations: Adjusted income from continuing operations in the third quarter was \$42.5 million, or \$0.80 diluted earnings per share, compared to adjusted income from continuing operations of \$45.5 million, or \$0.83 diluted earnings per share in the prior-year quarter. Adjusted income from continuing operations for the third quarter of 2011 excludes: an after-tax charge of \$6.7 million for restructuring activities; \$2.2 million after-tax for the net change in unrealized losses on open future contracts; and a \$0.2 million after-tax benefit for other items.

On a GAAP basis, income from continuing operations for the third quarter was \$33.8 million, or \$0.64 diluted earnings per share, compared to \$41.9 million income from continuing operations, or \$0.76 diluted earnings per share, in the prior-year quarter.

Free Cash Flow and Total Debt: Net cash from operations in the third quarter was \$140 million compared to \$70 million in the prior-year quarter. The company invested approximately \$8 million in capital assets in the third quarter. Free cash flow was \$132 million, up 122% from \$59 million in the prior-year quarter. The company paid \$10 million in dividends and repurchased \$55 million of stock in the third quarter. For the first 9 months of the year, the company paid \$27 million in dividends and repurchased \$90 million of stock. Total cash and cash equivalents were \$58 million at the end of the third quarter. Total debt at the end of the third quarter was \$500 million, down \$78 million from the second quarter. On October 21, 2011, the company extended the maturity on its \$650 million senior unsecured revolving credit facility from October 2012 to October 2016 through an amended and restated agreement.

BUSINESS SEGMENT HIGHLIGHTS

Residential Heating & Cooling

Third quarter revenue in the Residential Heating & Cooling business segment was \$374 million, up 1% from \$371 million in the prior-year quarter. At constant currency, revenue was up slightly. Segment profit was \$29 million and segment profit margin was 7.7%, compared to segment profit of \$39 million and segment profit margin of 10.5% in the prior-year quarter. Results were primarily impacted by lower mix and higher commodity costs, with offsets from higher volume, favorable price, and lower SG&A.

Commercial Heating & Cooling

Revenue in the Commercial Heating & Cooling business segment was \$199 million, up 13% from \$176 million in the prior-year quarter. At constant currency, revenue was up 10%. Total segment profit was \$29 million, and segment profit margin was 14.4%, compared to segment profit of \$25 million and segment profit margin of 14.1% in the prior-year quarter. Results were primarily impacted by higher volume, favorable price/mix, and lower SG&A expenses, which more than offset higher commodity costs.

Service Experts

Revenue in the Service Experts business segment was \$145 million in the third quarter, down 4% from \$151 million in the prior-year quarter. At constant currency, revenue was down 5%. Segment profit was \$5 million and segment profit margin was 3.7%, compared to segment profit of \$6 million and segment profit margin of 4.0% in the prior-year quarter. Results were primarily impacted by lower volume in the residential business, with a partial offset from lower SG&A expenses.

Refrigeration

Revenue in the Refrigeration business segment was \$224 million in the third quarter, up 59% from \$141 million in the prior-year quarter. At constant currency, revenue was up 52%. Excluding the Kysor/Warren acquisition, organic revenue was up 2% at constant currency. Segment profit was \$21 million and segment profit margin was 9.2% in the third quarter, compared to segment profit of \$17 million and segment profit margin of 12.3% in the prior-year quarter. Excluding the Kysor/Warren acquisition, segment profit margin was up 20 basis points from the prior-year quarter. Results were primarily impacted by higher volume and favorable price/mix, with offsets from higher commodity costs and SG&A expenses.

FULL-YEAR OUTLOOK

The company is adjusting its revenue guidance range and narrowing its EPS guidance ranges for 2011.

- Adjusting revenue growth guidance from a range of 8-11% to a range of 7-9%; adjusting organic revenue growth guidance from a range of 1-4% to a range of 0-2%; foreign exchange is estimated to have 2 points of positive impact.
- Narrowing adjusted EPS from continuing operations guidance from a range of \$2.00-\$2.30 to a range of \$2.00-\$2.15.
- Narrowing GAAP EPS from continuing operations guidance from a range of \$1.93-\$2.23 to a range of \$1.78-\$1.93.
- The company continues to expect \$60-65 million of headwind from raw and component commodity costs for the full year.
- Lowering tax rate guidance from approximately 34% to approximately 33.5% for the full year.
- Lowering capital expenditure guidance from approximately \$60 million to approximately \$45-50 million for the full year.
- Raising 2011 stock repurchase guidance from more than \$100 million to a target of \$120 million for the full year.

CONFERENCE CALL INFORMATION

A conference call to discuss the company's third quarter results will be held this morning at 8:30 a.m. Central time. To listen, please call the conference call line at 612-288-0337 at least 10 minutes prior to the scheduled start time and use reservation number 219563. This conference call will also be webcast on Lennox International's web site at <http://www.lennoxinternational.com>.

A replay will be available from 11:00 a.m. Central time on October 25 through November 1, 2011, by dialing 800-475-6701 (U.S.) or 320-365-3844 (international) and using access code 219563. This call will also be archived on the company's web site.

Lennox International Inc. is a global leader in the heating, air conditioning, and refrigeration markets. Lennox International stock is traded on the New York Stock Exchange under the symbol "LII." Additional information is available at: <http://www.lennoxinternational.com> or by contacting Steve Harrison, Vice President, Investor Relations, at 972-497-6670.

FORWARD-LOOKING AND CAUTIONARY STATEMENTS

The statements in this news release that are not historical statements, including statements regarding expected financial results for 2011, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to numerous risks and uncertainties, many of which are beyond LII's control, which could cause actual results to differ materially from the results expressed or implied by the statements. Risks and uncertainties that could cause actual results to differ materially from such statements include, but are not limited to: the impact of higher raw material prices, LII's ability to implement price increases for its products and services, the impact of unfavorable weather, and a decline in new construction activity in the demand for products and services. For information concerning these and other risks and uncertainties, see LII's publicly available filings with the Securities and Exchange Commission. LII disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

LENNOX INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited, in millions, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2011	2010	2011	2010
NET SALES	\$ 923.0	\$ 818.2	\$ 2,547.7	\$ 2,334.4
COST OF GOODS SOLD	691.9	585.4	1,903.9	1,662.6
Gross profit	231.1	232.8	643.8	671.8
OPERATING EXPENSES:				
Selling, general and administrative expenses	166.3	163.5	515.2	513.0
Losses and other expenses, net	2.5	0.8	3.1	6.3
Restructuring charges	10.8	4.7	14.4	15.0
Income from equity method investments	(3.0)	(2.8)	(8.9)	(8.9)
Operational income from continuing operations	54.5	66.6	120.0	146.4
INTEREST EXPENSE, net	4.1	3.5	12.5	9.1
OTHER EXPENSE, net	—	—	0.1	0.1
Income from continuing operations before income taxes	50.4	63.1	107.4	137.2
PROVISION FOR INCOME TAXES	16.6	21.2	35.8	47.9
Income from continuing operations	33.8	41.9	71.6	89.3
DISCONTINUED OPERATIONS:				
Operational loss from discontinued operations	—	0.1	—	0.9
Income tax benefit	—	—	—	(0.1)
Loss from discontinued operations	—	0.1	—	0.8
Net income	\$ 33.8	\$ 41.8	\$ 71.6	\$ 88.5
EARNINGS PER SHARE — BASIC:				
Income from continuing operations	\$ 0.65	\$ 0.78	\$ 1.35	\$ 1.62
Loss from discontinued operations	—	—	—	(0.01)
Net income	\$ 0.65	\$ 0.78	\$ 1.35	\$ 1.61
EARNINGS PER SHARE — DILUTED:				
Income from continuing operations	\$ 0.64	\$ 0.76	\$ 1.33	\$ 1.59
Loss from discontinued operations	—	—	—	(0.02)
Net income	\$ 0.64	\$ 0.76	\$ 1.33	\$ 1.57
AVERAGE SHARES OUTSTANDING:				
Basic	52.2	53.8	53.0	55.0
Diluted	52.8	55.0	53.9	56.2
CASH DIVIDENDS DECLARED PER SHARE	\$ 0.18	\$ 0.15	\$ 0.54	\$ 0.45

LENNOX INTERNATIONAL INC. AND SUBSIDIARIES

SEGMENT NET SALES AND PROFIT

(Unaudited, in millions)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2011	2010	2011	2010
<i>Net Sales</i>				
Residential Heating & Cooling	\$ 373.6	\$ 370.9	\$ 1,040.7	\$ 1,068.5
Commercial Heating & Cooling	199.3	176.3	536.4	471.7
Service Experts	144.7	150.9	406.6	445.6
Refrigeration	223.7	140.6	616.3	411.8
Eliminations (A)	(18.3)	(20.5)	(52.3)	(63.2)
	<u>\$ 923.0</u>	<u>\$ 818.2</u>	<u>\$ 2,547.7</u>	<u>\$ 2,334.4</u>
<i>Segment Profit (Loss) (B)</i>				
Residential Heating & Cooling	\$ 28.8	\$ 39.0	\$ 60.8	\$ 98.6
Commercial Heating & Cooling	28.7	24.9	61.7	56.2
Service Experts	5.4	6.0	0.4	14.2
Refrigeration	20.5	17.3	55.5	47.5
Corporate and other	(15.4)	(15.5)	(41.4)	(48.2)
Eliminations (A)	0.3	0.1	—	(0.2)
Subtotal that includes segment profit and eliminations	68.3	71.8	137.0	168.1
Reconciliation to income from continuing operations before income taxes:				
Special product quality adjustment	—	—	(2.4)	—
Items in losses and other expenses, net that are excluded from segment profit (C)	3.0	0.5	5.0	6.7
Restructuring charges	10.8	4.7	14.4	15.0
Interest expense, net	4.1	3.5	12.5	9.1
Other expense, net	—	—	0.1	0.1
Income from continuing operations before income taxes	<u>\$ 50.4</u>	<u>\$ 63.1</u>	<u>\$ 107.4</u>	<u>\$ 137.2</u>

(A) Eliminations consist of intercompany sales between business segments, such as products sold to Service Experts by the Residential Heating & Cooling segment.

(B) The Company defines segment profit and loss as a segment's income or loss from continuing operations before income taxes included in the accompanying Consolidated Statements of Operations:

Excluding:

- o Special product quality adjustment.
- o Items within Gains and/or losses and other expenses, net that are noted in (C) .
- o Restructuring charges.
- o Goodwill and equity method investment impairments.
- o Interest expense, net.
- o Acquisition costs
- o Other expense, net.

(C) Items in Gains and/or losses and other expenses, net that are excluded from segment profit or loss are net change in unrealized gains and/or losses on open future contracts, discount fee on accounts sold, realized gains and/or losses on marketable securities, special legal contingency charge, and other items.

LENNOX INTERNATIONAL INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In millions, except share and per share data)

	As of September 30, 2011 (unaudited)	As of December 31, 2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 57.9	\$ 160.0
Restricted cash	—	12.2
Accounts and notes receivable, net of allowances of \$13.5 and \$12.8 in 2011 and 2010, respectively	478.2	384.8
Inventories, net	394.3	286.2
Deferred income taxes, net	50.1	36.7
Other assets	48.3	67.0
Total current assets	1,028.8	946.9
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of \$601.1 and \$584.7 in 2011 and 2010, respectively	333.3	324.3
GOODWILL	307.0	271.8
DEFERRED INCOME TAXES	84.2	87.2
OTHER ASSETS, net	81.0	61.8
TOTAL ASSETS	\$ 1,834.3	\$ 1,692.0
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	\$ 3.5	\$ 1.4
Current maturities of long-term debt	0.4	0.6
Accounts payable	343.2	273.8
Accrued expenses	316.1	334.5
Income taxes payable	9.6	5.3
Total current liabilities	672.8	615.6
LONG-TERM DEBT	495.7	317.0
POSTRETIREMENT BENEFITS, OTHER THAN PENSIONS	15.6	15.9
PENSIONS	89.0	88.1
OTHER LIABILITIES	62.5	65.7
Total liabilities	1,335.6	1,102.3
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, 25,000,000 shares authorized, no shares issued or outstanding	—	—
Common stock, \$.01 par value, 200,000,000 shares authorized, 86,648,631 shares and 86,480,816 shares issued for 2011 and 2010, respectively	0.9	0.9
Additional paid-in capital	879.2	863.5
Retained earnings	685.4	642.2
Accumulated other comprehensive (loss)/income	(28.8)	30.2
Treasury stock, at cost, 35,090,313 shares and 32,784,503 shares for 2011 and 2010, respectively	(1,038.0)	(947.1)
Total stockholders' equity	498.7	589.7
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,834.3	\$ 1,692.0

LENNOX INTERNATIONAL INC. AND SUBSIDIARIES

Reconciliation to U.S. GAAP (Generally Accepted Accounting Principles) Measures
(Unaudited, in millions, except per share and ratio data)

Use of Non-GAAP Financial Measures

To supplement the Company's consolidated financial statements and segment net sales and profit presented in accordance with U.S. GAAP, additional non-GAAP financial measures are provided and reconciled in the following tables. The Company believes that these non-GAAP financial measures, when considered together with the GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results. The Company believes that these non-GAAP financial measures enhance the ability of investors to analyze the Company's business trends and operating performance.

Reconciliation of Income From Continuing Operations, a GAAP Measure, to Adjusted Income From Continuing Operations, a Non-GAAP Measure

	For The Three Months Ended September 30,		For The Nine Months Ended September 30,	
	2011	2010	2011	2010
Income from continuing operations, a GAAP measure	\$ 33.8	\$ 41.9	\$ 71.6	\$ 89.3
Restructuring charges, after tax	6.7	3.5	9.0	10.2
Special product quality adjustment, net (b)	—	—	(1.5)	—
Acquisition costs, net (b)	—	0.3	0.7	0.3
Special legal contingency charge, after-tax (a)	(0.1)	1.0	(0.2)	3.9
Gain on sale of entity (a)	(0.1)	(0.3)	(0.3)	(0.3)
Net change in unrealized losses on open future contracts, after tax (a)	2.2	(0.9)	3.2	—
Other items, net, after tax (a)	—	—	(0.3)	0.3
Adjusted income from continuing operations, a non-GAAP measure	\$ 42.5	\$ 45.5	\$ 82.2	\$ 103.7

Reconciliation of Earnings per Share from Continuing Operations —
Diluted, a GAAP Measure, to Adjusted Earnings per Share From
Continuing Operations — Diluted, a Non-GAAP Measure

Earnings per share from continuing operations — diluted, a GAAP measure	\$ 0.64	\$ 0.76	\$ 1.33	\$ 1.59
Restructuring charges	0.13	0.06	0.17	0.18
Special product quality adjustment (b)	—	—	(0.03)	—
Gain on sale of entity (a)	—	—	—	—
Special legal contingency charge (a)	—	0.02	—	0.07
Net change in unrealized losses on open future contracts and other items, net (a)	0.03	(0.01)	0.05	—
Adjusted earnings per share from continuing operations — diluted, a non-GAAP measure	\$ 0.80	\$ 0.83	\$ 1.52	\$ 1.84

(a) Recorded in Losses and other expenses, net in the Consolidated Statements of Operations

(b) Recorded in Cost of goods sold in the Consolidated Statements of Operations

Components of Losses and other expenses, net (pre-tax):	For The Three Months Ended September 30,		For The Nine Months Ended September 30,	
	2011	2010	2011	2010
Realized gains on settled future contracts (a)	(0.1)	(0.2)	(1.0)	(1.0)
Foreign currency exchange (gain) loss (a)	(0.5)	0.6	—	0.6
Gain on disposal of fixed assets (a)	—	(0.1)	(0.9)	—
Special legal contingency charge (b)	(0.1)	1.8	(0.4)	6.3
Acquisition costs, net (b)	—	0.4	0.9	0.4
Net change in unrealized (gains)/losses on open futures contracts (b)	3.5	(1.4)	4.9	—
Gain on sale of entity (b)	(0.2)	(0.3)	(0.3)	(0.3)
Other items, net (b)	(0.1)	—	(0.1)	0.3
Losses and other expenses, net (pre-tax)	\$ 2.5	\$ 0.8	\$ 3.1	\$ 6.3

(a) Included in segment profit and adjusted income from continuing operations

(b) Excluded from segment profit and adjusted income from continuing operations

Reconciliation of Estimated Adjusted Earnings per Share from Continuing Operations — Diluted, a Non-GAAP Measure, to Earnings per Share from Continuing Operations — Diluted, a GAAP Measure

	For the Year Ended December 31, 2011 <u>ESTIMATED</u>
Adjusted earnings per share from continuing operations — diluted	\$ 2.00 - \$2.15
Restructuring charges	(0.19)
Special legal contingency charge	—
Special product quality adjustment, net	0.03
Net change in unrealized losses on open futures contracts and other items, net	(0.06)
GAAP earnings per share from continuing operations — diluted	\$ 1.78 - \$1.93

Reconciliation of Net Cash Used in Operating Activities, a GAAP Measure, to Free Cash Flow, a Non-GAAP Measure

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2011	2010	2011	2010
Net cash provided by (used in) operating activities, a GAAP measure	\$ 140.2	\$ 69.6	\$ (2.2)	\$ 43.6
Purchase of property, plant and equipment	(8.5)	(10.3)	(27.1)	(30.0)
Free cash flow, a Non-GAAP measure	\$ 131.7	\$ 59.3	\$ (29.3)	\$ 13.6

Calculation of Debt to EBITDA Ratio:

	Trailing Twelve Months to September 30, 2011
EBIT (a)	\$ 185.9
Depreciation and amortization expense (b)	58.8
EBITDA (a + b)	\$ 244.7
Total debt at September 30, 2011 (c)	\$ 499.6
Total debt to EBITDA ratio ((c / (a + b)))	2.0

Reconciliation of EBIT, a Non-GAAP Measure, to Income From Continuing Operations Before Income Taxes, a GAAP Measure

	Trailing Twelve Months to September 30, 2011
EBIT per above, a Non-GAAP measure	\$ 185.9
Special product quality adjustment	(2.6)
Items in losses and other expenses, net that are excluded from segment profit	9.5
Restructuring charges	15.0
Interest expense, net	16.2
Other expenses, net	1.0
Income from continuing operations before income taxes, a GAAP measure	\$ 146.8

Reconciliation of Reported Revenue Growth, a GAAP measure, to Organic Revenue Growth, a non-GAAP Measure

	Net Sales For The Three Months Ended September 30,		Net Sales Variance	Net Sales Growth %	Translational Currency Impact Favorable (Unfavorable)	Net Sales Growth % Excluding Currency Impact
	2011	2010				
Lennox International Inc. and Subsidiaries						
Net Sales, as reported — a GAAP measure	\$ 923.0	\$ 818.2	\$ 104.8	12.8%	\$ 19.1	10.5%
Less: Kysor/Warren acquisition	(71.0)	—	(71.0)		(0.6)	
Net Sales, organic — a non-GAAP measure	<u>\$ 852.0</u>	<u>\$ 818.2</u>	<u>\$ 33.8</u>	<u>4.1%</u>	<u>\$ 18.5</u>	<u>1.9%</u>

Refrigeration Segment

Net Sales, as reported — a GAAP measure	\$ 223.7	\$ 140.6	\$ 83.1	59.1%	\$ 10.1	51.9%
Less: Kysor/Warren acquisition	(71.0)	—	(71.0)		(0.6)	
Net Sales, organic — a non-GAAP measure	<u>\$ 152.7</u>	<u>\$ 140.6</u>	<u>\$ 12.1</u>	<u>8.6%</u>	<u>\$ 9.5</u>	<u>1.8%</u>

	Net Sales For The Nine Months Ended September 30,		Net Sales Variance	Net Sales Growth %	Translational Currency Impact Favorable (Unfavorable)	Net Sales Growth % Excluding Currency Impact
	2011	2010				
Lennox International Inc. and Subsidiaries						
Net Sales, as reported — a GAAP measure	\$ 2,547.7	\$ 2,334.4	\$ 213.3	9.1%	\$ 54.6	6.8%
Less: Kysor/Warren acquisition	(165.1)	—	(165.1)		(2.0)	
Net Sales, organic — a non-GAAP measure	<u>\$ 2,382.6</u>	<u>\$ 2,334.4</u>	<u>\$ 48.2</u>	<u>2.1%</u>	<u>\$ 52.6</u>	<u>-0.2%</u>

Refrigeration Segment

Net Sales, as reported — a GAAP measure	\$ 616.3	\$ 411.8	\$ 204.5	49.7%	\$ 30.3	42.3%
Less: Kysor/Warren acquisition	(165.1)	—	(165.1)		(2.0)	
Net Sales, organic — a non-GAAP measure	<u>\$ 451.2</u>	<u>\$ 411.8</u>	<u>\$ 39.4</u>	<u>9.6%</u>	<u>\$ 28.3</u>	<u>2.7%</u>

Reconciliation of Reported Refrigeration Segment Profit Margin to Organic Segment Profit Margin

	For the Three Months Ended September 30, 2011			For the Three Months Ended September 30, 2010		
	Net Sales	Segment Profit	Segment Profit Margin	Net Sales	Segment Profit	Segment Profit Margin
Refrigeration Segment, as reported	\$ 223.7	\$ 20.5	9.2%	\$ 140.6	\$ 17.3	12.3%
Less: Kysor/Warren acquisition	(71.0)	(1.4)	-2.0%	—	—	—
Refrigeration Segment, organic	<u>\$ 152.7</u>	<u>\$ 19.1</u>	<u>12.5%</u>	<u>\$ 140.6</u>	<u>\$ 17.3</u>	<u>12.3%</u>

	For the Nine Months Ended September 30, 2011			For the Nine Months Ended September 30, 2010		
	Net Sales	Segment Profit	Segment Profit Margin	Net Sales	Segment Profit	Segment Profit Margin
Refrigeration Segment, as reported	\$ 616.3	\$ 55.5	9.0%	\$ 411.8	\$ 47.5	11.5%
Less: Kysor/Warren acquisition	(165.1)	0.2	0.1%	—	—	—
Refrigeration Segment, organic	<u>\$ 451.2</u>	<u>\$ 55.7</u>	<u>12.3%</u>	<u>\$ 411.8</u>	<u>\$ 47.5</u>	<u>11.5%</u>

Reconciliation of Operational Working Capital, a Non-GAAP Measure, to GAAP Balance Sheet Line Items

	September 30, 2011 (c)	September 30, 2011 Trailing 12 Mo. Avg. (c)	September 30, 2010	September 30, 2010 Trailing 12 Mo. Avg.
Accounts and Notes Receivable, Net	\$ 424.6		\$ 429.2	
Asset Securitization	—		—	
Allowance for Doubtful Accounts	11.2		14.9	
Accounts and Notes Receivable, Gross	435.8	\$ 421.0	444.1	\$ 405.9
Inventories	360.4		347.7	
Excess of Current Cost Over Last-in, First-out	71.6		71.9	
Inventories as Adjusted	432.0	451.6	419.6	388.2
Accounts Payable	(313.3)	(292.1)	(284.0)	(280.3)
Operating Working Capital (a)	<u>554.5</u>	<u>580.5</u>	<u>579.7</u>	<u>513.8</u>

Net Sales, Trailing Twelve Months (b)	<u>3,144.6</u>	<u>3,144.6</u>	<u>3,067.9</u>	<u>3,067.9</u>
Operational Working Capital Ratio (a / b)	<u>17.6%</u>	<u>18.5%</u>	<u>18.9%</u>	<u>16.7%</u>

(c) Excludes the impact of the Kysor/Warren acquisition completed in January 2011. Including the impact of the Kysor/Warren acquisition to the September 30, 2011 operational working capital items above would increase Accounts and Notes Receivable, Gross from \$435.8 to \$491.7, Inventories as Adjusted from \$432.0 to \$465.9 and Accounts Payable from \$(313.3) to \$(343.2). Net Sales, Trailing Twelve Months would increase \$165.1 (representing approximately eight and a half months of Net Sales) to \$3,309.6 resulting in an Operational Working Capital Ratio of 18.6%.