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WILLDAN GROUP, INC.

FORM 10-Q
(Quarterly Report)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 4, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-33076

WILLDAN GROUP, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**14-1951112**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification No.)
2401 East Katella Avenue, Suite 300 Anaheim, California	**92806**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: **(800) 424-9144**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	WLDN	The Nasdaq Stock Market LLC (Nasdaq Global Market)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☒
Non-accelerated filer ☐	Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 7, 2025, there were 14,496,824 shares of common stock, $0.01 par value per share, of Willdan Group, Inc. issued and outstanding.

WILLDAN GROUP, INC.
FORM 10-Q QUARTERLY REPORT

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q (this "10-Q") contains statements that constitute forward-looking statements as that term is defined by the Private Securities Litigation Reform Act of 1995, as amended. These statements concern our business, operations and financial performance and condition as well as our plans, objectives and expectations for our business operations and financial performance and condition, which are subject to risks and uncertainties. All statements other than statements of historical fact included in this 10-Q are forward-looking statements. These statements may include words such as "aim," "anticipate," "assume," "believe," "can have," "could," "due," "estimate," "expect," "goal," "intend," "likely," "may," "objective," "plan," "potential," "positioned," "predict," "should," "target," "will," "would" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events or trends. For example, all statements we make relating to our plans and objectives for future operations, growth or initiatives and strategies are forward-looking statements.

These forward-looking statements are based on current expectations, estimates, forecasts and projections about our business and the industry in which we operate and our management's beliefs and assumptions. We derive many of our forward-looking statements from our own operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, we caution that predicting the impact of known factors is very difficult, and we cannot anticipate all factors that could affect our actual results.

All of our forward-looking statements are subject to risks and uncertainties that may cause our actual results to differ materially from our expectations. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to:

- our ability to adequately complete projects in a timely manner;
- our ability to compete successfully in the highly competitive energy services market, which represented 84% of our consolidated revenue in fiscal year 2024;
- our reliance on work from our top ten clients, which accounted for 51% of our consolidated contract revenue for fiscal year 2024;
- changes in state, local and regional economies and government budgets;
- our ability to win new contracts, to renew existing contracts and to compete effectively for contracts awarded through bidding processes;
- our ability to make principal and interest payments on our outstanding debt as they come due and to comply with the financial covenants contained in our debt agreements;
- our ability to manage supply chain constraints, labor shortages, elevated interest rates, and elevated inflation;
- our ability to obtain financing and to refinance our outstanding debt as it matures;
- our ability to successfully integrate our acquisitions and execute on our growth strategy; and
- our ability to attract and retain managerial, technical, and administrative talent.

The above is not a complete list of factors or events that could cause actual results to differ from our expectations, and we cannot predict all of them. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements disclosed elsewhere in this Quarterly Report on Form 10-Q, and under Part I, Item 1A. "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in our Annual Report on Form 10-K for the

fiscal year ended December 27, 2024, as such disclosures may be amended, supplemented or superseded from time to time by other reports we file with the Securities and Exchange Commission, including subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and public communications. You should evaluate all forward-looking statements made in this Quarterly Report on Form 10-Q and otherwise in the context of these risks and uncertainties.

Potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on any forward-looking statements we make. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and are not guarantees of future performance or developments and involve known and unknown risks, uncertainties and other factors that are in many cases beyond our control. Except as required by law, we undertake no obligation to update or revise any forward-looking statements publicly, whether as a result of new information, future developments or otherwise.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

WILLDAN GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except par value)
(Unaudited)

	April 4, 2025	December 27, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 38,364	$ 74,158
Restricted cash	—	—
Accounts receivable, net of allowance for doubtful accounts of $1,510 and $1,313 at April 4, 2025 and December 27, 2024, respectively	59,692	65,557
Contract assets	89,167	88,528
Other receivables	2,596	2,302
Prepaid expenses and other current assets	7,186	4,979
Total current assets	197,005	235,524
Equipment and leasehold improvements, net	30,474	29,534
Goodwill	173,922	140,991
Right-of-use assets	12,007	14,035
Other intangible assets, net	42,418	29,414
Other assets	2,592	2,019
Deferred income taxes, net	12,740	13,346
Total assets	$ 471,158	$ 464,863
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 41,634	$ 33,766
Accrued liabilities	39,373	62,776
Contingent consideration payable	8,500	2,500
Contract liabilities	23,128	21,556
Notes payable	2,500	10,137
Finance lease obligations	1,233	1,138
Lease liability	5,840	5,804
Total current liabilities	122,208	137,677
Contingent consideration payable	8,444	1,713
Notes payable, less current portion	84,443	79,350
Finance lease obligations, less current portion	1,471	1,379
Lease liability, less current portion	8,550	9,939
Other noncurrent liabilities	526	462
Total liabilities	225,642	230,520
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, 10,000 shares authorized, no shares issued and outstanding	—	—
Common stock, $0.01 par value, 40,000 shares authorized; 14,497 and 14,169 shares issued and outstanding at April 4, 2025 and December 27, 2024, respectively	145	142
Additional paid-in capital	204,036	197,368
Accumulated other comprehensive income (loss)	(499)	(314)
Retained earnings	41,834	37,147
Total stockholders' equity	245,516	234,343
Total liabilities and stockholders' equity	$ 471,158	$ 464,863

See accompanying notes to Condensed Consolidated Financial Statements.

WILLDAN GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	April 4, 2025	March 29, 2024
Contract revenue	$ 152,386	$ 122,489
Direct costs of contract revenue (inclusive of directly related depreciation and amortization):		
Salaries and wages	27,677	21,512
Subcontractor services and other direct costs	67,048	53,559
Total direct costs of contract revenue	94,725	75,071
Gross profit	57,661	47,418
General and administrative expenses:		
Salaries and wages, payroll taxes and employee benefits	31,108	26,509
Facilities and facility related	2,624	2,445
Stock-based compensation	2,426	1,390
Depreciation and amortization	4,440	3,592
Other	10,027	8,121
Total general and administrative expenses	50,625	42,057
Income (Loss) from operations	7,036	5,361
Other income (expense):		
Interest expense, net	(1,802)	(2,137)
Other, net	(41)	704
Total other expense, net	(1,843)	(1,433)
Income (Loss) before income taxes	5,193	3,928
Income tax (benefit) expense	506	986
Net income (loss)	4,687	2,942
Other comprehensive income (loss):		
Unrealized gain (loss) on derivative contracts, net of tax	(185)	434
Comprehensive income (loss)	$ 4,502	$ 3,376
Earnings (Loss) per share:		
Basic	$ 0.33	$ 0.22
Diluted	$ 0.32	$ 0.21
Weighted-average shares outstanding:		
Basic	14,163	13,605
Diluted	14,628	13,910

See accompanying notes to Condensed Consolidated Financial Statements.

WILLDAN GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Shares	Amount				
Balance at December 27, 2024	14,169	$ 142	$ 197,368	$ (314)	$ 37,147	$ 234,343
Shares of common stock issued in connection with employee stock purchase plan	60	—	1,485	—	—	1,485
Shares of common stock issued in connection with incentive stock plan	5	—	81	—	—	81
Shares used to pay taxes on stock grants	(69)	(1)	(2,877)	—	—	(2,878)
Issuance of restricted stock award and units	155	2	(2)	—	—	—
Stock issued to acquire businesses	177	2	5,555	—	—	5,557
Stock-based compensation expense	—	—	2,426	—	—	2,426
Net income (loss)	—	—	—	—	4,687	4,687
Net unrealized gain (loss) on derivative contracts	—	—	—	(185)	—	(185)
Balance at April 4, 2025	14,497	$ 145	$ 204,036	$ (499)	$ 41,834	$ 245,516

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Shares	Amount				
Balance at December 29, 2023	13,682	$ 137	$ 185,795	$ (664)	$ 14,577	$ 199,845
Shares of common stock issued in connection with employee stock purchase plan	86	1	1,401	—	—	1,402
Shares of common stock issued in connection with incentive stock plan	19	—	281	—	—	281
Shares used to pay taxes on stock grants	(32)	(1)	(778)	—	—	(779)
Issuance of restricted stock award and units	62	1	(1)	—	—	—
Stock-based compensation expense	—	—	1,390	—	—	1,390
Net income (loss)	—	—	—	—	2,942	2,942
Net unrealized gain (loss) on derivative contracts	—	—	—	434	—	434
Balance at March 29, 2024	13,817	$ 138	$ 188,088	$ (230)	$ 17,519	$ 205,515

See accompanying notes to Condensed Consolidated Financial Statements.

WILLDAN GROUP, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three Months Ended	
	April 4, 2025	March 29, 2024
Cash flows from operating activities:		
Net income (loss)	$ 4,687	$ 2,942
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	4,440	3,592
Other non-cash items	327	92
Deferred income taxes, net	606	1,005
(Gain) loss on sale/disposal of equipment	(17)	(13)
Provision for doubtful accounts	246	(100)
Stock-based compensation	2,426	1,390
Accretion and fair value adjustments of contingent consideration	379	—
Changes in operating assets and liabilities, net of effects from business acquisitions:		
Accounts receivable	12,655	18,985
Contract assets	(174)	11,476
Other receivables	877	617
Prepaid expenses and other current assets	(2,207)	(1,975)
Other assets	(569)	117
Accounts payable	3,748	1,325
Accrued liabilities	(22,134)	(15,740)
Contract liabilities	(2,654)	3,244
Right-of-use assets	675	(8)
Net cash (used in) provided by operating activities	3,311	26,949
Cash flows from investing activities:		
Purchase of equipment, software, and leasehold improvements	(2,310)	(1,971)
Proceeds from sale of equipment	19	19
Cash paid for acquisitions, net of cash acquired	(32,473)	—
Net cash (used in) provided by investing activities	(34,764)	(1,952)
Cash flows from financing activities:		
Payments on notes payable	(137)	(153)
Repayments under term loan facility and line of credit	(2,500)	(1,875)
Principal payments on finance leases	(392)	(345)
Proceeds from stock option exercise	81	281
Proceeds from sales of common stock under employee stock purchase plan	1,485	1,402
Cash used to pay taxes on stock grants	(2,878)	(779)
Net cash (used in) provided by financing activities	(4,341)	(1,469)
Net increase (decrease) in cash, cash equivalents and restricted cash	(35,794)	23,528
Cash, cash equivalents and restricted cash at beginning of period	74,158	23,397
Cash, cash equivalents and restricted cash at end of period	$ 38,364	$ 46,925
Supplemental disclosures of cash flow information:		
Cash paid (received) during the period for:		
Interest	$ 1,663	$ 2,081
Income taxes	59	2
Supplemental disclosures of noncash investing and financing activities:		
Issuance of common stock related to business acquisitions	$ 5,557	$ —
Contingent consideration related to business acquisitions	12,353	—
Equipment acquired under finance leases	580	198

See accompanying notes to Condensed Consolidated Financial Statements.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY

Willdan Group, Inc. ("Willdan" or the "Company") is a provider of professional, technical and consulting services to utilities, private industry, and public agencies at all levels of government. As resources and infrastructures undergo continuous change, the Company helps organizations and their communities evolve and thrive by providing a wide range of technical services for energy solutions and government infrastructure. Through engineering, program management, policy advisory, and software and data management, the Company designs and delivers trusted, comprehensive, innovative, and proven solutions to improve efficiency, resiliency, and sustainability in energy and infrastructure.

The Company's broad portfolio of services operates within two financial reporting segments: (1) Energy and (2) Engineering and Consulting. The interfaces and synergies between these segments are important elements of the Company's strategy to design and deliver trusted, comprehensive, innovative, and proven solutions for its customers.

The accounting policies followed by the Company are set forth in Part II, Item 8, Note 1, "*Organization and Operations of the Company"*, of the Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 27, 2024. In the opinion of management, all adjustments necessary to fairly state the Condensed Consolidated Financial Statements have been made. All such adjustments are of a normal, recurring nature. Certain information and footnote disclosures normally included in the Consolidated Financial Statements prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC").
These Condensed Consolidated Financial Statements and related notes thereto should be read in conjunction with the Consolidated Financial Statements and the notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ended December 27, 2024. The results of operations for interim periods are not necessarily indicative of results to be expected for the full year.

Fiscal Years

The Company operates and reports its annual financial results based on 52 or 53-week periods ending on the Friday closest to December 31. The Company operates and reports its quarterly financial results based on the 13-week period ending on the Friday closest to June 30, September 30, and December 31 and the 13 or 14-week period ending on the Friday closest to March 31, as applicable. Fiscal year 2025, which ends on January 2, 2026, will be comprised of 53 weeks, with the first quarter consisting of 14 weeks and the remaining quarters consisting of 13 weeks each. Fiscal year 2024, which ended on December 27, 2024, was comprised of 52 weeks, with all quarters consisting of 13 weeks each.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified in the condensed consolidated financial statements to conform to the current year presentation.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

2. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Pronouncements Recently Issued

In November 2024, the FASB issued ASU No. 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)" ("ASU 2024-03"). ASU 2024-03 requires entities to disclose, in the notes to consolidated financial statements, specified information about certain costs and expenses at each interim and annual reporting period. Specific disclosures include the amounts of (a) purchases of inventory; (b) employee compensation; (c) depreciation; (d) intangible asset amortization; and (e) depreciation, depletion, and amortization recognized as part of oil- and gas-producing activities (or other amounts of depletion expense) included in each relevant expense caption, as well as a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. Additionally, entities will need to disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The amendments are effective for the annual reporting periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact this update will have on its Consolidated Financial Statements.

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 amends the rules on income tax disclosures to require entities to disclose specific categories in the rate reconciliation, the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign) and income tax expense or benefit from continuing operations (separated by federal, state, and foreign). In addition, ASU 2023-09 requires entities to disclose their income tax payments to international, federal, state, and local jurisdictions, among other changes. The amendments can be applied on a prospective basis although retrospective application is permitted. The amendments are effective for the annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact this update will have on its Consolidated Financial Statements.

In October 2023, the FASB issued ASU No. 2023-06, "Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative" ("ASU 2023-06"). ASU 2023-06 amends U.S. GAAP to reflect updates and simplifications to certain disclosure and presentation requirements referred to FASB by the SEC. The targeted amendments incorporate 14 of the 27 disclosures referred by the SEC into codification. Each amendment in ASU 2023-06 is effective on either the date on which the SEC's removal of the related disclosure requirement from Regulation S-X or Regulation S-K becomes effective, or on June 30, 2027, if the SEC has not removed the requirements by that date. The Company does not believe the amendments in ASU 2023-06 will have a material impact on any of the Company's current disclosures.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

3. REVENUES

The Company enters into contracts with its clients that contain various types of pricing provisions, including fixed price, time-and-materials, and unit-based provisions. The Company recognizes revenues in accordance with ASU 2014-09, Revenue from Contracts with Customer, codified as ASC Topic 606 and the related amendments (collectively "ASC 606"). As such, the Company identifies a contract with a customer, identifies the performance obligations in the contract, determines the transaction price, allocates the transaction price to each performance obligation in the contract and recognizes revenues when (or as) the Company satisfies a performance obligation.

The following table reflects the Company's two reportable segments and the types of contracts that each most commonly enters into for revenue generating activities.

Segment	Contract Type	Revenue Recognition Method
Energy	Time-and-materials	Time-and-materials
	Unit-based	Unit-based
	Software license	Unit-based
	Fixed price	Percentage-of-completion
Engineering and Consulting	Time-and-materials	Time-and-materials
	Unit-based	Unit-based
	Fixed price	Percentage-of-completion

Revenue on the vast majority of the Company's contracts is recognized over time because of the continuous transfer of control to the customer. Revenue on fixed price contracts is recognized on the percentage-of-completion method based generally on the ratio of direct costs incurred-to-date to estimated total direct costs at completion. The Company uses the percentage-of-completion method to better match the level of work performed at a certain point in time in relation to the effort that will be required to complete a project. In addition, the percentage-of-completion method is a common method of revenue recognition in the Company's industry.

Many of the Company's fixed price contracts involve a high degree of subcontracted fixed price effort and, usually, are relatively short in duration, thereby lowering the risks of not properly estimating the percent complete. Revenue on time-and-materials and unit-based contracts is recognized as the work is performed in accordance with the specific rates and terms of the contract. The Company recognizes revenues for time-and-materials contracts based upon the actual hours incurred during a reporting period at contractually agreed upon rates per hour and also includes in revenue all reimbursable costs incurred during a reporting period. Certain of the Company's time-and-materials contracts are subject to maximum contract values and, accordingly, when revenue is expected to exceed the maximum contract value, these contracts are generally recognized under the percentage-of-completion method, consistent with fixed price contracts. For unit-based contracts, the Company recognizes the contract price of units of a basic production product as revenue when the production product is delivered during a period. Revenue for amounts that have been billed but not earned is deferred, and such deferred revenue is referred to as contract liabilities in the accompanying condensed consolidated balance sheets. The Company also derives revenue from software licenses and professional services and maintenance fees. In accordance with ASC 606, the Company performs an assessment of each contract to identify the performance obligations, determine the overall transaction price for the contract, allocate the transaction price to the performance obligations, and recognize the revenue when the performance obligations are satisfied. The Company utilizes the residual approach by which it estimates the standalone selling price by reference to the total transaction price less the sum of the observable standalone selling prices of other goods or services promised in the contract. The software license revenue is typically recognized at a point in time when control is transferred to the client, which is defined as the point in time when the client can use and benefit from the license. The software license is delivered before related services are provided and is functional without services, updates, or technical support. Related professional services include training and support services in which the standalone selling price is determined based on an input measure of hours incurred to total estimated hours and is recognized over time, which usually is the life of the contract.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

To determine the proper revenue recognition method for contracts, the Company evaluates whether two or more contracts should be combined and accounted for as one single contract and whether the combined contract should be accounted for as one performance obligation. With respect to the Company's contracts, it is rare that multiple contracts should be combined into a single performance obligation. This evaluation requires significant judgment and the decision to combine a group of contracts or separate a single contract into multiple performance obligations could change the amount of revenue and profit recorded in a given period. Contracts are considered to have a single performance obligation if the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts, which is mainly because the Company provides a significant service of integrating a complex set of tasks and components into a single project or capability.

The Company may enter into contracts that include separate phases or elements. If each phase or element is negotiated separately based on the technical resources required and/or the supply and demand for the services being provided, the Company evaluates if the contracts should be segmented. If certain criteria are met, the contracts would be segmented which could result in revenues being assigned to the different elements or phases with different rates of profitability based on the relative value of each element or phase to the estimated total contract revenue. Segmented contracts may comprise up to approximately 2.0% to 3.0% of the Company's consolidated contract revenue.

Contracts that cover multiple phases or elements of the project or service lifecycle (development, construction and maintenance and support) may be considered to have multiple performance obligations even when they are part of a single contract. For contracts with multiple performance obligations, the Company allocates the transaction price to each performance obligation using the best estimate of the standalone selling price of each distinct good or service in the contract. For the periods presented, the value of the separate performance obligations under contracts with multiple performance obligations (generally measurement and verification tasks under certain energy performance contracts) were not material. In cases where the Company does not provide the distinct good or service on a standalone basis, the primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which the Company forecasts the Company's expected costs of satisfying a performance obligation and then adds an appropriate margin for the distinct good or service.

The Company provides quality of workmanship warranties to customers that are included in the sale and are not priced or sold separately or do not provide customers with a service in addition to assurance of compliance with agreed-upon specifications and industry standards. The Company does not consider these types of warranties to be separate performance obligations.

In some cases, the Company has a master service or blanket agreement with a customer under which each task order releases the Company to perform specific portions of the overall scope in the service contract. Each task order is typically accounted for as a separate contract because the task order establishes the enforceable rights and obligations, and payment terms.

Under ASC 606, variable consideration should be considered when determining the transaction price and estimates should be made for the variable consideration component of the transaction price, as well as assessing whether an estimate of variable consideration is constrained. For certain of the Company's contracts, variable consideration can arise from modifications to the scope of services resulting from unapproved change orders or customer claims. Variable consideration is included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The Company estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on assessments of legal enforceability, the Company's performance, and all information (historical, current and forecasted) that is reasonably available to the Company.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Due to the nature of the work required to be performed on many of the Company's performance obligations, the estimation of total revenue and cost at completion is complex, subject to many variables and requires significant judgment. As a significant change in one or more of these estimates could affect the profitability of the Company's contracts, the Company reviews and updates the Company's contract-related estimates regularly through a company-wide disciplined project review process in which management reviews the progress and execution of the Company's performance obligations and the estimate at completion ("EAC"). As part of this process, management reviews information including, but not limited to, any outstanding key contract matters, progress towards completion and the related program schedule and the related changes in estimates of revenues and costs. Management must make assumptions and estimates regarding labor productivity and availability, the complexity of the work to be performed, the cost and availability of materials, the performance of subcontractors, and the availability and timing of funding from the customer, among other variables.

The Company recognizes adjustments in estimated profit on contracts under the cumulative catch-up method. Under this method, the impact of the adjustment on profit recorded to date is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance is recognized using the adjusted estimate. If at any time the estimate of contract profitability indicates an anticipated loss on the contract, the Company recognizes the full amount of estimated loss in the period it is identified.

Contracts are often modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new rights or obligations or changes the existing enforceable rights or obligations. Most of the Company's contract modifications are for goods or services that are not distinct from existing contracts due to the significant integration provided in the context of the contract and are accounted for as if they were part of the original contract. The effect of a contract modification that is not distinct from the existing contract on the transaction price and the Company's measure of progress for the performance obligation to which it relates is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

For contract modifications that result in the promise to deliver goods or services that are distinct from the existing contract and the increase in price of the contract is for the same amount as the standalone selling price of the additional goods or services included in the modification, the Company accounts for such contract modifications as a separate contract.

The Company includes claims to vendors, subcontractors and others as a receivable and a reduction in recognized costs when enforceability of the claim is established by the contract and the amounts are reasonably estimable and probable of being recovered. The amounts are recorded up to the extent of the lesser of the amounts management expects to recover or to costs incurred.

Billing practices are governed by the contract terms of each project based upon costs incurred, achievement of milestones or pre-agreed schedules. Billings do not necessarily correlate with revenue recognized using the percentage-of-completion method of revenue recognition.

Direct costs of contract revenue consist primarily of that portion of technical and nontechnical salaries and wages that has been incurred in connection with revenue producing projects. Direct costs of contract revenue also include production expenses, subcontractor services and other expenses that are incurred in connection with revenue producing projects.

WILLDAN GROUP, INC. AND SUBSIDIARIES
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Direct costs of contract revenue exclude that portion of technical and nontechnical salaries and wages related to marketing efforts, vacations, holidays and other time not spent directly generating revenue under existing contracts. Such costs are included in general and administrative expenses. Additionally, payroll taxes, bonuses and employee benefit costs for all Company personnel are included in general and administrative expenses in the accompanying condensed consolidated statements of comprehensive income since no allocation of these costs is made to direct costs of contract revenue. No allocation of facilities costs is made to direct costs of contract revenue. Other companies may classify as direct costs of contract revenue some of the costs that the Company classifies as general and administrative costs. The Company expenses direct costs of contract revenue when incurred.

Included in revenue and costs are all reimbursable costs for which the Company has the risk or on which the fee was based at the time of bid or negotiation. No revenue or cost is recorded for costs in which the Company acts solely in the capacity of an agent and has no risks associated with such costs.

Accounts receivable are carried at original invoice amount less an estimate made for doubtful accounts based upon a review of all outstanding amounts on a quarterly basis. Management determines allowances for doubtful accounts through specific identification of amounts considered to be uncollectible and potential write-offs, plus a non-specific allowance for other amounts for which some potential loss has been determined to be probable based on current and past experience. The Company's historical credit losses have been minimal with governmental entities and large public utilities, but disputes may arise related to these receivable amounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

Retainage, included in contract assets, represents amounts withheld from billings to the Company's clients pursuant to provisions in the contracts and may not be paid to the Company until specific tasks are completed or the project is completed and, in some instances, for even longer periods. As of April 4, 2025 and December 27, 2024, contract assets included retainage of $25.5 million and $22.0 million, respectively.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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4. SUPPLEMENTAL FINANCIAL STATEMENT DATA

Restricted Cash

The following table provides a reconciliation of cash and cash equivalents, and restricted cash reported within the condensed consolidated balance sheets to the total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows:

	April 4, 2025	December 27, 2024
	(in thousands)	
Cash and cash equivalents	$ 38,364	$ 74,158
Restricted cash	—	—
Total cash, cash equivalents, and restricted cash shown in the consolidated statement of cash flows	$ 38,364	$ 74,158

Under certain utility contracts, the Company periodically receives cash deposits to be held in trust for the payment of energy incentive rebates to be sent directly to the utility's end-customer on behalf of the utility. The Company acts solely as the utility's agent to distribute these funds to the end-customer and, accordingly, the Company classifies these contractually restricted funds as restricted cash. Because these funds are held in trust for pass through to the utility's customers and have no impact on the Company's working capital or operating cash flows, these cash receipts are presented in the condensed consolidated statement of cash flows as financing cash inflows, "Receipt of restricted cash", with the subsequent payments classified as financing cash outflows, "Payment of restricted cash."

Equipment and Leasehold Improvements

	April 4, 2025	December 27, 2024
	(in thousands)	
Furniture and fixtures	$ 4,594	$ 4,594
Computer hardware and software	54,139	51,904
Leasehold improvements	3,877	3,804
Equipment under finance leases	7,251	7,052
Automobiles, trucks, and field equipment	3,657	3,608
Subtotal	73,518	70,962
Accumulated depreciation and amortization	(43,044)	(41,428)
Equipment and leasehold improvements, net	$ 30,474	$ 29,534

Included in accumulated depreciation and amortization is $0.4 million and $1.5 million of amortization expense related to equipment held under finance leases for the three months ended April 4, 2025 and for fiscal year 2024, respectively.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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Accrued Liabilities

	April 4, 2025	December 27, 2024
	(in thousands)	
Accrued subcontractor costs	$ 23,206	$ 33,061
Accrued bonuses	6,925	18,277
Employee withholdings	2,500	3,664
Compensation and payroll taxes	3,452	3,564
Rebate and other	—	360
Accrued accounting costs and taxes	3,290	3,850
Total accrued liabilities	$ 39,373	$ 62,776

Goodwill

	December 27, 2024	Additional Purchase Cost	Additions / Adjustments	April 4, 2025
		(in thousands)		
Reporting Unit:				
Energy	$ 139,222	$ 25,438	$ —	$ 164,660
Engineering and Consulting	1,769	7,493	—	9,262
	$ 140,991	$ 32,931	$ —	$ 173,922

The Company tests its goodwill at least annually for possible impairment. The Company completes its annual testing of goodwill as of the last day of the first month of its fourth fiscal quarter each year to determine whether there is a potential impairment. In addition to the Company's annual test, it regularly evaluates whether events and circumstances have occurred that may indicate a potential impairment of goodwill. The Company evaluated the current economic environment and noted that it does not believe it is more likely than not that goodwill was impaired as of April 4, 2025.

Intangible Assets

	April 4, 2025		December 27, 2024		
	Gross Amount	Accumulated Amortization	Gross Amount	Accumulated Amortization	Amortization Period
	(in thousands)				*(in years)*
Finite:					
Backlog	$ 11,303	$ 8,550	$ 8,882	$ 8,350	1.0
Tradename	20,414	13,688	16,123	13,196	2.5 - 6.0
Non-compete agreements	1,613	1,500	1,613	1,488	4.0 - 5.0
Developed technology	15,810	15,450	15,810	15,286	8.0
Customer relationships	70,813	38,347	62,041	36,735	5.0 - 12.0
Total intangible assets	$ 119,953	$ 77,535	$ 104,469	$ 75,055	

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5. DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses certain interest rate derivative contracts to hedge interest rate exposures on its variable rate debt. The Company's hedging program is not designated for trading or speculative purposes.

The Company recognizes derivative instruments as either assets or liabilities on the accompanying condensed consolidated balance sheets at fair value. The Company records changes in the fair value (i.e., gains or losses) of the derivatives that have been designated as cash flow hedges in its consolidated balance sheets as accumulated other comprehensive income (loss), and in its consolidated statements of comprehensive income (loss) as a loss or gain on cash flow hedge valuation. All related cash flows are reported in the operating activities section of the consolidated statements of cash flows.

On November 30, 2023, the Company entered into an interest rate swap agreement that the Company designated as cash flow hedge to fix the variable interest rate on a portion of the Company's Term Loan (see Note 6, *"Debt Obligations"* for information regarding our indebtedness). The interest rate swap agreement has a total notional amount of $50.0 million, has a fixed annual interest rate of 4.77%, and expires on September 29, 2026. As of April 4, 2025, the effective portion of the Company's interest rate swap agreement designated as a cash flow hedge before tax effects was $(0.5) million, of which no amounts were reclassified from accumulated other comprehensive income (loss) to interest expense in the three months ended April 4, 2025. The Company expects to reclassify $0.4 million from accumulated other comprehensive income (loss) to interest expense within the next twelve months.

The fair values of the Company's outstanding derivatives designated as hedging instruments were as follows:

		Fair Value of Derivative Instruments as of	
	Balance Sheet Location	April 4, 2025	December 27, 2024
		(in thousands)	
Interest rate swap agreement	Accrued liabilities	$ (368)	$ (198)
Interest rate swap agreement	Other noncurrent liabilities	(263)	(200)

The impact of the effective portions of derivative instruments in cash flow hedging relationships and fair value relationships on other comprehensive income (loss) was $(0.2) million for the three months ended April 4, 2025.

The accumulated balances and reporting period activities for the periods below related to reclassifications out of accumulated other comprehensive income (loss) are summarized as follows:

	Gain (Loss) on Derivative Instruments	Accumulated Other Comprehensive Income (Loss)
	(in thousands)	
Balances at December 27, 2024	$ (314)	$ (314)
Other comprehensive income (loss) before reclassifications	(234)	(234)
Amounts reclassified from accumulated other comprehensive income (loss)	—	—
Income tax benefit (expense) related to derivative instruments	49	49
Net current-period other comprehensive income (loss)	(185)	(185)
Balances at April 4, 2025	$ (499)	$ (499)

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6. DEBT OBLIGATIONS

Debt obligations, excluding obligations under finance leases (see Note 7, "*Leases",* below), consisted of the following:

	April 4, 2025	December 27, 2024
	(in thousands)	
Outstanding borrowings on Term Loan	$ 87,500	$ 90,000
Outstanding borrowings on Revolving Credit Facility	—	—
Other debt agreements	—	137
Total debt	87,500	90,137
Issuance costs and debt discounts	(557)	(650)
Subtotal	86,943	89,487
Less current portion of long-term debt	2,500	10,137
Long-term debt portion	$ 84,443	$ 79,350

The credit agreement governing the Company's Term Loan and Revolving Credit Facility require the Company to comply with certain financial obligations, including a maximum Net Leverage Ratio and a minimum Fixed Charge Coverage Ratio (as defined in the credit agreement governing the Term Loan and Revolving Credit Facility). The credit agreement also contains customary restrictive covenants. As of April 4, 2025, the Company was in compliance with all these covenants.

In addition, as of April 4, 2025, the Company's composite interest rate, exclusive of the effects of upfront fees, undrawn fees and issuance cost amortization, was 6.4%.

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7. LEASES

The Company leases certain office facilities under long-term, non-cancellable operating leases that expire at various dates through 2029. In addition, the Company is obligated under finance leases for certain furniture and office equipment that expire at various dates through 2029.

From time to time, the Company enters into non-cancelable leases for some of its facility and equipment needs. These leases allow the Company to conserve cash by paying a monthly lease rental fee for the use of facilities and equipment rather than purchasing them. The Company's leases typically have remaining terms ranging from one to eight years, some of which may include options to extend the leases for up to five years, and some of which may include options to terminate the leases within one year. Currently, all of the Company's leases contain fixed payment terms. The Company may decide to cancel or terminate a lease before the end of its term, in which case the Company is typically liable to the lessor for the remaining lease payments under the term of the lease. Additionally, all of the Company's month-to-month leases are cancelable by the Company or the lessor, at any time, and are not included in the Company's right-of-use asset or lease liability. As of April 4, 2025, the Company had no leases with residual value guarantees. Typically, the Company has purchase options on the equipment underlying its long-term leases. The Company may exercise some of these purchase options when the need for equipment is on-going and the purchase option price is attractive. Nonperformance-related default covenants, cross-default provisions, subjective default provisions and material adverse change clauses contained in material lease agreements, if any, are also evaluated to determine whether those clauses affect lease classification in accordance with ASC Topic 842-10-25. Leases are accounted for as operating or financing leases, depending on the terms of the lease.

Financing Leases

The Company leases certain equipment under financing leases. The economic substance of the leases is a financing transaction for acquisition of equipment and leasehold improvements. Accordingly, the right-of-use assets for these leases are included in the balance sheets in equipment and leasehold improvements, net of accumulated depreciation, with a corresponding amount recorded in current portion of financing lease obligations or noncurrent portion of financing lease obligations, as appropriate. The financing lease assets are amortized over the life of the lease or, if shorter, the life of the leased asset, on a straight-line basis and included in depreciation expense. The interest associated with financing lease obligations is included in interest expense.

Right-of-use assets

Operating leases are included in right-of-use assets, and current portion of lease liability and noncurrent portion of lease liability, as appropriate. Right-of-use assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Company's leases do not provide an implicit rate to calculate present value, the Company determines this rate by estimating the Company's incremental borrowing rate at the lease commencement date. The right-of-use asset also includes any lease payments made and initial direct costs incurred at lease commencement and excludes lease incentives. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

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The following is a summary of the Company's lease expense:

	Three Months Ended	
	April 4, 2025	March 29, 2024
	(in thousands)	
Operating lease cost	$ 1,615	$ 1,527
Sublease Income	(14)	(14)
Finance lease cost:		
Amortization of assets	359	355
Interest on lease liabilities	47	31
Total net lease cost	$ 2,007	$ 1,899

The following is a summary of lease information presented on the Company's consolidated balance sheet:

	April 4, 2025	December 27, 2024
	(in thousands)	
Operating leases:		
Right-of-use assets	$ 12,007	$ 14,035
Lease liability	$ 5,840	$ 5,804
Lease liability, less current portion	8,550	9,939
Total lease liabilities	$ 14,390	$ 15,743
Finance leases (included in equipment and leasehold improvements, net):		
Equipment and leasehold improvements, net	$ 7,251	$ 7,052
Accumulated depreciation	(4,640)	(4,662)
Total equipment and leasehold improvements, net	$ 2,611	$ 2,390
Finance lease obligations	$ 1,233	$ 1,138
Finance lease obligations, less current portion	1,471	1,379
Total finance lease obligations	$ 2,704	$ 2,517
Weighted average remaining lease term (in years):		
Operating Leases	2.84	3.03
Finance Leases	2.35	2.42
Weighted average discount rate:		
Operating Leases	7.01 %	6.97 %
Finance Leases	6.83 %	6.87 %

Rent expense was $1.8 million and $1.7 million for the three months ended April 4, 2025 and March 29, 2024, respectively.

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The following is a summary of other information and supplemental cash flow information related to finance and operating leases:

	Three Months Ended	
	April 4, 2025	March 29, 2024
	(in thousands)	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flow from operating leases	$ 1,708	$ 1,569
Operating cash flow from finance leases	47	31
Financing cash flow from finance leases	392	345
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	$ 103	$ 1,627

The following is a summary of the Company's maturities of lease liabilities as of April 4, 2025:

	Operating	Finance
	(in thousands)	
Fiscal year:		
Remainder of 2025	$ 4,991	$ 1,065
2026	5,568	1,136
2027	2,972	601
2028	1,673	94
2029	750	27
2030 and thereafter	—	—
Total lease payments	15,954	2,923
Less: Imputed interest	(1,564)	(219)
Total lease obligations	14,390	2,704
Less: Current obligations	5,840	1,233
Noncurrent lease obligations	$ 8,550	$ 1,471

The imputed interest for finance lease obligations represents the interest component of finance leases that will be recognized as interest expense in future periods. The financing component for operating lease obligations represents the effect of discounting the operating lease payments to their present value.

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8. COMMITMENTS AND VARIABLE INTEREST ENTITIES

Employee Benefit Plans

The Company has a qualified profit sharing plan pursuant to Code Section 401(a) and qualified cash or deferred arrangement pursuant to Code Section 401(k) covering all employees. Employees may elect to contribute up to 50% of their compensation limited to the amount allowed by tax laws. Company contributions are made solely at the discretion of the Company's board of directors.

The Company's defined contribution plan (the "Plan") covers employees who have completed three months of service and who have attained 21 years of age. The Company elects to make matching contributions equal to 50% of the participants' contributions to the Plan, up to 6% of the individual participant's compensation, and subject to a maximum of $3,000 per employee. Under the Plan, the Company may make discretionary contributions to employee accounts.

During the three months ended April 4, 2025 and March 29, 2024, the Company made matching contributions of $1.4 million and $1.1 million, respectively.

Variable Interest Entities

On March 4, 2016, the Company and the Company's wholly-owned subsidiary, Willdan Energy Solutions, Inc. ("WES"), acquired substantially all of the assets of Genesys Engineering, P.C. ("Genesys") and assumed certain specified liabilities of Genesys (collectively, the "Purchase") pursuant to an Asset Purchase and Merger Agreement, dated as of February 26, 2016 (the "Agreement"), by and among Willdan Group, Inc., WES, WESGEN (as defined below), Genesys and Ronald W. Mineo ("Mineo") and Robert J. Braun ("Braun" and, together with Mineo, the "Genesys Shareholders"). On March 5, 2016, pursuant to the terms of the Agreement, WESGEN, Inc., a non-affiliated corporation ("WESGEN"), merged (the "Merger" and, together with the Purchase, the "Acquisition") with Genesys, with Genesys remaining as the surviving corporation. Genesys was acquired to strengthen the Company's power engineering capability in the northeastern U.S., and also to increase client exposure and experience with universities.

Genesys continues to be a professional corporation organized under the laws of the State of New York, wholly-owned by one or more licensed engineers. Pursuant to New York law, the Company does not own capital stock of Genesys. The Company has entered into an agreement with the Shareholder of Genesys pursuant to which the Shareholder will be prohibited from selling, transferring or encumbering the Shareholder's ownership interest in Genesys without the Company's consent. Notwithstanding the Company's rights regarding the transfer of Genesys's stock, the Company does not have control over the professional decision making of Genesys's engineering services. The Company has entered into an administrative services agreement with Genesys pursuant to which WES will provide Genesys with ongoing administrative, operational and other non-professional support services. Genesys pays WES a service fee, which consists of all of the costs incurred by WES to provide the administrative services to Genesys plus ten percent of such costs, as well as any other costs that relate to professional service supplies and personnel costs. As a result of the administrative services agreement, the Company absorbs the expected losses of Genesys through its deferral of Genesys's service fees owed to WES.

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The Company manages Genesys and has the power to direct the activities that most significantly impact Genesys's performance, in addition to being obligated to absorb expected losses from Genesys. Accordingly, the Company is the primary beneficiary of Genesys and consolidates Genesys as a variable interest entity ("VIE"). In addition, the Company concluded there is no noncontrolling interest related to the consolidation of Genesys because the Company determined that (i) the shareholder of Genesys does not have more than a nominal amount of equity investment at risk, (ii) WES absorbs the expected losses of Genesys through its deferral of Genesys's service fees owed to WES and the Company has, since entering into the administrative services agreement, had to continuously defer service fees for Genesys, and (iii) the Company believes Genesys will continue to have a shortfall on payment of its service fees for the foreseeable future, leaving no expected residual returns for the shareholder. As of April 4, 2025, the Company had one VIE — Genesys.

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9. SEGMENT AND GEOGRAPHICAL INFORMATION

Segment Information

The Company's two segments are Energy, and Engineering and Consulting, and the Company's chief operating decision maker, which continues to be its chief executive officer, receives and reviews financial information in this format.

In accordance with ASU 2023-07, the Company's chief operating decision maker ("CODM") evaluates the performance of each segment based upon the information provided below.

There were no intersegment sales during the three months ended April 4, 2025 and March 29, 2024. In addition, enterprise-wide service line contract revenue is not included as it is impracticable to report this information for each group of similar services.

	Energy	Engineering & Consulting	Unallocated Corporate	Intersegment	Consolidated Total [1]
			(in thousands)		
Fiscal Three Months Ended April 4, 2025					
Contract revenue	$ 126,248	$ 26,138	$ -	$ -	$ 152,386
Direct subcontractor services and other direct costs	66,080	968	-	-	67,048
Direct salaries and wages	16,541	11,136	-	-	27,677
Gross profit	43,627	14,034	-	-	57,661
Other indirect costs	34,548	10,276	1,361	-	46,185
EBITDA [2]	9,082	3,755	(1,402)	-	11,435
Interest expense, net	-	-	1,802	-	1,802
Depreciation and amortization	3,955	485	-	-	4,440
Segment profit (loss) before income tax expense	5,127	3,270	(3,204)	-	5,193
Income tax expense (benefit)	500	319	(313)	-	506
Net income (loss)	4,627	2,951	(2,891)	-	4,687
Segment assets [3]	372,792	41,633	79,863	(23,130)	471,158
Fiscal Three Months Ended March 29, 2024					
Contract revenue	$ 100,746	$ 21,743	$ -	$ -	$ 122,489
Direct subcontractor services and other direct costs	52,654	905	-	-	53,559
Direct salaries and wages	12,333	9,179	-	-	21,512
Gross profit	35,759	11,659	-	-	47,418
Other indirect costs	28,339	8,957	1,169	-	38,465
EBITDA [2]	7,549	2,700	(592)	-	9,657
Interest expense, net	1	-	2,136	-	2,137
Depreciation and amortization	3,236	356	-	-	3,592
Segment profit (loss) before income tax expense	4,311	2,344	(2,727)	-	3,928
Income tax expense (benefit)	1,083	588	(685)	-	986
Net income (loss)	3,229	1,756	(2,043)	-	2,942
Segment assets [3]	318,808	26,613	85,609	(23,130)	407,900

(1) Amounts may not add to the totals due to rounding.

(2) "EBITDA", defined as earnings before interest, taxes, depreciation and amortization, is a non-GAAP financial measure.

(3) Segment assets are presented net of intercompany receivables.

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The following tables provide information about disaggregated revenue by contract type, client type and geographical region:

	Three months ended April 4, 2025		
	Energy	Engineering and Consulting	Total
	(in thousands)		
Contract Type			
Time-and-materials	$ 11,602	$ 18,060	$ 29,662
Unit-based	47,707	6,255	53,962
Fixed price	66,939	1,823	68,762
Total [1]	$ 126,248	$ 26,138	$ 152,386
Client Type			
Commercial	$ 13,515	$ 1,811	$ 15,326
Government	48,324	24,272	72,596
Utilities [2]	64,409	55	64,464
Total [1]	$ 126,248	$ 26,138	$ 152,386
Geography [3]			
Domestic	$ 126,248	$ 26,138	$ 152,386

	Three months ended March 29, 2024		
	Energy	Engineering and Consulting	Total
	(in thousands)		
Contract Type			
Time-and-materials	$ 8,537	$ 16,399	$ 24,936
Unit-based	46,957	4,511	51,468
Fixed price	45,252	833	46,085
Total [1]	$ 100,746	$ 21,743	$ 122,489
Client Type			
Commercial	$ 7,203	$ 1,580	$ 8,783
Government	35,820	20,098	55,918
Utilities [2]	57,723	65	57,788
Total [1]	$ 100,746	$ 21,743	$ 122,489
Geography [3]			
Domestic	$ 100,746	$ 21,743	$ 122,489

(1) Amounts may not add to the totals due to rounding.
(2) Includes the portion of revenue related to small business programs paid by the end user/customer.
(3) Revenue from the Company's foreign operations were not material for the three months ended April 4, 2025 and March 29, 2024.

Geographical Information

Substantially all of the Company's consolidated revenue was derived from its operations in the U.S. The Company operates through a network of offices spread across 22 U.S. states, the District of Columbia, the Commonwealth of Puerto Rico, and Canada. Revenues from the Company's Puerto Rican and Canadian operations were not material for the three months ended April 4, 2025, nor for the three months ended March 29, 2024.

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Customer Concentration

For the three months ended April 4, 2025 and March 29, 2024, the Company's top 10 customers accounted for 53.8%, and 49.2%, respectively, of the Company's consolidated contract revenue.

For the three months ended April 4, 2025, the Company had individual customers that accounted for more than 10% of its consolidated contract revenue. For the three months ended April 4, 2025, the Company derived 24.1% of its consolidated contract revenue from two customers, Clark County School District and Southern California Edison. For the three months ended March 29, 2024, the Company had no individual customers that accounted for more than 10% of its consolidated contract revenue.

On a segment basis, the Company reports customers that accounted for more than 10% of its segment contract revenues. For the three months ended April 4, 2025, the Company derived 29.1% of its Energy segment revenues from two customers, Clark County School District and Southern California Edison, and no single customer accounted for 10% or more of the Company's Engineering and Consulting segment revenues. For the three months March 29, 2024, the Company derived 10.7% of its Energy segment revenues from one customer, LADWP, and no single customer accounted for 10% or more of the Company's Engineering and Consulting segment revenue.

On a geographical basis, the Company's largest clients are based in California and New York. For the three months ended April 4, 2025 and March 29, 2024, services provided to clients in California accounted for 39.8% and 43.5%, respectively, of the Company's consolidated contract revenue, and services provided to clients in New York accounted for 21.7% and 27.1%, respectively, of the Company's consolidated contract revenue.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

10. INCOME TAXES

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the financial reporting basis and tax basis of the Company's assets and liabilities, subject to a judgmental assessment of the recoverability of deferred tax assets. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets may not be realized. Significant judgment is applied when assessing the need for valuation allowances and includes the evaluation of historical income (loss) adjusted for the effects of non-recurring items and the impact of recent business combinations. Areas of estimation include the Company's consideration of future taxable income which is driven by verifiable signed contracts and ongoing prudent and feasible tax planning strategies. Should a change in circumstances lead to a change in judgment about the utilization of deferred tax assets in future years, the Company would adjust the related valuation allowances in the period that the change in circumstances occurs, along with a corresponding increase or charge to income.

At the end of fiscal year 2024, the Company's total valuation allowance was $1.1 million, reflecting a $0.1 million release of the valuation allowance balance of $1.2 million from the end of fiscal year 2023 as a result of expected future utilization of deferred tax assets. As of April 4, 2025, the Company assessed all available positive and negative evidence available to determine whether, based on the weight of that evidence, there was a change in judgment related to the utilization of deferred tax assets in future years. The Company concluded that as of April 4, 2025, the valuation allowance for the Company's deferred tax assets was appropriate in accordance with ASC 740. Consequently, there was no change to the valuation allowance during the three months ended April 4, 2025.

For acquired business entities, if the Company identifies changes to acquired deferred tax asset valuation allowances or liabilities related to uncertain tax positions during the measurement period and they relate to new information obtained about facts and circumstances that existed as of the acquisition date, those changes are considered a measurement period adjustment, and the Company records the offset to goodwill. The Company records all other changes to deferred tax asset valuation allowances and liabilities related to uncertain tax positions in current period income tax expense.

The Company recognizes the tax benefit from uncertain tax positions if it is more likely than not that the tax positions will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense. During the three months ended April 4, 2025, and the three months ended March 29, 2024, the Company did not record a liability for uncertain tax positions.

Based on the Company's estimates and determination of an effective tax rate for the year, the Company recorded an income tax expense of $0.5 million for the three months ended April 4, 2025, compared to an income tax expense of $1.0 million for the three months ended March 29, 2024. During the three months ended April 4, 2025, the difference between the effective tax rate and the federal statutory rate was primarily attributable to state taxes, nondeductible executive compensation, deductions related to stock option exercises, research and development tax credits, and the commercial energy-efficiency building deduction. During the three months ended March 29, 2024, the difference between the effective tax rate and the federal statutory rate was primarily attributable to state taxes, non-deductible stock compensation, nondeductible executive compensation, research and development tax credits, and the commercial building energy efficiency deduction.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

11. EARNINGS PER SHARE ("EPS")

Basic EPS is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding. Diluted EPS is computed by dividing net income by the weighted-average number of common shares outstanding and dilutive potential common shares for the period. Potential common shares include the weighted-average dilutive effects of outstanding stock options and restricted stock awards using the treasury stock method.

The following table sets forth the number of weighted-average common shares outstanding used to compute basic and diluted EPS:

	Three months ended	
	April 4, 2025	March 29, 2024
	(in thousands, except per share amounts)	
Net income (loss)	$ 4,687	$ 2,942
Weighted-average common shares outstanding	14,163	13,605
Effect of dilutive stock options and restricted stock awards	465	305
Weighted-average common shares outstanding-diluted	14,628	13,910
Earnings (Loss) per share:		
Basic	$ 0.33	$ 0.22
Diluted	$ 0.32	$ 0.21

For the three months ended April 4, 2025 and March 29, 2024, the Company excluded 47,000 and 335,000 common shares subject to outstanding equity awards, respectively, from the calculation of diluted shares because their impact would have been anti-dilutive.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

12. BUSINESS COMBINATIONS

Acquisition of Alternative Power Generation, Inc.

On March 3, 2025 (the "APG Closing Date"), the Company, through its wholly owned subsidiary, WES, acquired all of the capital stock of Alternative Power Generation, Inc. ("APG"), pursuant to the terms of the Stock Purchase Agreement, dated as of March 3, 2025 (the "APG Stock Purchase Agreement"), by and among the Company, WES, and each of the stockholders of APG (the "APG Stockholders").

APG provides innovative, progressive, and customized electric power solutions for EV charging, solar, AI data centers, microgrids, battery energy storage systems (BESS), and substations. APG offers consulting, design, engineering, procurement, and construction management. APG's financial information is included within the Energy segment beginning in the first quarter of fiscal year 2025. The Company expects to finalize the purchase price allocation related to this transaction by the end of the fourth quarter of fiscal year 2025.

Pursuant to the terms of the APG Stock Purchase Agreement, the Company agreed to pay up to $43.5 million for the purchase of all the capital stock of APG, which purchase price consists of (i) $19.5 million in cash paid on the APG Closing Date (subject to holdbacks and adjustments), (ii) $6.0 million in shares of the Company's common stock, based on the closing average price per share of the Company's common stock for the twenty trading days preceding the APG Closing Date, and (iii) up to $18.0 million in cash if APG exceeds certain financial targets during the three years after the APG Closing Date, as more fully described below (such potential payments of up to $18.0 million being referred to as "APG Earnout Payments" and $18.0 million in respect thereof, being referred to as the "APG Maximum Payout").

The amount of the APG Earnout Payments to be paid will be determined based on APG's earnings before interest, taxes, depreciation and amortization ("APG EBITDA"). The APG Stockholders will receive APG Earnout Payments in each of the three years after the APG Closing Date (the "APG Earnout Period") based on the amount by which APG EBITDA exceeds certain targets. The amounts due to the APG Stockholders as APG Earnout Payments will in no event, individually or in the aggregate, exceed the APG Maximum Payout. APG Earnout Payments will be made in annual installments for each of the three years of the APG Earnout Period. In addition, the APG Earnout Payments will be subject to certain subordination provisions in favor of the lenders under the Company's Credit Agreement.

The APG Stock Purchase Agreement contains customary representations and warranties regarding the Company, WES, APG, and the APG Stockholders, indemnification provisions, and other provisions customary for transactions of this nature.

The Company used cash on hand to fund the initial purchase price on the APG Closing Date.

The acquisition was accounted for as a business combination in accordance with ASC 805. Under ASC 805, the Company recorded the acquired assets and assumed liabilities at their estimated fair value with the excess allocated to goodwill. Goodwill represents the value the Company expects to achieve through the operational synergies, the expansion into new markets and APG's assembled workforce. The Company estimates that the entire $25.4 million of goodwill resulting from the acquisition of APG will be tax deductible.

As of April 4, 2025, the purchase price allocation is preliminary and subject to change within the measurement period (not to exceed twelve months following the APG Closing Date). The areas of the purchase price allocation that are not yet finalized relate primarily to contingent consideration valuation, intangible assets, and goodwill.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

The preliminary fair value of the contingent consideration liability was estimated by discounting to present value the contingent payments expected to be made. The Company applied a discount rate derived from previous valuation studies performed by a third-party valuation firm for the Company's historical acquisitions with similar characteristics. The preliminary estimate of the fair values for intangible assets were calculated utilizing a weighted average allocation derived from previous valuation studies performed by a third-party valuation firm for the Company's historical acquisitions with similar characteristics.

The Company expects to continue to obtain information for the purpose of determining the fair value of the assets acquired on the APG Closing Date throughout the remainder of the measurement period. Accordingly, adjustments may be made as additional information is obtained about the facts and circumstances that existed as of the valuation date. In addition, the Company expects to engage a third-party independent valuation specialist to assist in management's determination of fair values of intangible assets acquired. Any adjustments will be recorded in the period in which they are identified.

Preliminary consideration for the acquisition of APG includes the following:

	APG
	(in thousands)
Cash consideration	$ 18,500
Other working capital adjustments and holdbacks	(1,171)
Issuance of common stock	5,557
Contingent consideration	12,353
Total consideration	$ 35,239

The following table summarizes the amounts for the acquired assets recorded at their estimated fair value as of the acquisition date:

	APG
	(in thousands)
Current assets	$ 8,990
Non-current assets [(1)]	12
Liabilities	(10,934)
Non-current lease liability	(240)
Backlog	1,871
Customer relationships	6,360
Tradename	3,741
Goodwill	25,439
Net assets acquired	$ 35,239

(1) Excluded from non-current assets are backlog, customer relationships, tradename, and goodwill.

During the three months ended April 4, 2025, the Company did not make any adjustments to the consideration paid for APG, and as a result, there were no adjustments to the purchase price allocation for the three months ended April 4, 2025.

There were $0.2 million in acquisition related costs associated with APG included in other general and administrative expenses in the condensed consolidated statements of comprehensive income for the three months ended April 4, 2025.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

During the three months ended April 4, 2025, the acquisition of APG contributed $2.5 million in revenue and $0.2 million of income from operations.

Acquisition of Alpha Inspections, Inc.

On January 31, 2025 (the "Alpha Closing Date"), the Company, through its wholly owned subsidiary, Willdan Engineering, Inc., acquired all of the capital stock of Alpha Inspections, Inc. ("Alpha"), pursuant to the terms of the Stock Purchase Agreement, dated as of January 31, 2025 (the "Alpha Stock Purchase Agreement"), by and among the Company, Willdan Engineering, Inc., and Jennifer Murphy as the sole shareholder of Alpha Inspections, Inc. (the "Alpha Member").

Alpha is a company that provides an array of municipal services including building inspections, and plan reviews. Alpha's financial information is included within the Engineering and Consulting segment beginning in the first quarter of fiscal year 2025 and the Company expects to finalize the purchase price allocation related to this transaction by the end of the fourth quarter of fiscal year 2025.

Pursuant to the terms of the Alpha Stock Purchase Agreement, the purchase price consisted of $12.0 million to be paid in cash on the Alpha Closing Date (subject to holdbacks and adjustments). The Alpha Stock Purchase Agreement contains customary representations and warranties regarding the Company, Willdan Engineering, Alpha, and the Alpha Member, indemnification provisions and other provisions customary for transactions of this nature. Pursuant to the terms of the Alpha Stock Purchase Agreement, the Company, and Willdan Engineering, provided guarantees to the Alpha Member which guarantee certain of Alpha's obligations under the Alpha Stock Purchase Agreement.

The Company used cash on hand to fund the purchase price on the Alpha Closing Date.

The acquisition was accounted for as a business combination in accordance with ASC 805. Under ASC 805, the Company recorded the acquired assets and assumed liabilities at their estimated fair value with the excess allocated to goodwill. Goodwill represents the value the Company expects to achieve through the operational synergies, the expansion into new markets and Alpha's assembled workforce. The Company estimates that the entire $7.5 million of goodwill resulting from the acquisition of Alpha will be tax deductible.

As of April 4, 2025, the purchase price allocation is preliminary and subject to change. The preliminary purchase price allocation was based upon the Company's estimates and assumptions are subject to change within the measurement period (not to exceed twelve months following the Alpha Closing Date). The areas of the purchase price allocation that are not yet finalized relate primarily to intangible assets and goodwill.

The preliminary estimate of the fair values for intangible assets were calculated utilizing a weighted average allocation derived from previous valuation studies performed by a third-party valuation firm for the Company's historical acquisitions with similar characteristics. The Company expects to continue to obtain information for the purpose of determining the fair value of the assets acquired on the Alpha Closing Date throughout the remainder of the measurement period. Accordingly, adjustments may be made as additional information is obtained about the facts and circumstances that existed as of the valuation date. In addition, the Company expects to engage a third-party independent valuation specialist to assist in management's determination of fair values of intangible assets acquired. Any adjustments will be recorded in the period in which they are identified.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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Preliminary consideration for the acquisition of Alpha includes the following:

	Alpha
	(in thousands)
Cash consideration	$ 12,000
Other working capital adjustments and holdbacks	(250)
Total consideration	$ 11,750

The following table summarizes the amounts for the acquired assets recorded at their estimated fair value as of the acquisition date:

	Alpha
	(in thousands)
Current assets	$ 1,135
Non-current assets [1]	4
Liabilities	(395)
Backlog	550
Customer relationships	2,413
Tradename	550
Goodwill	7,493
Net assets acquired	$ 11,750

[1] Excluded from non-current assets are backlog, customer relationships, tradename, and goodwill.

During the three months ended April 4, 2025, the Company did not make any adjustments to the consideration paid for Alpha, and as a result, there were no adjustments to the purchase price allocation for the three months ended April 4, 2025.

Acquisition related costs associated with Alpha are included in other general and administrative expenses in the consolidated statements of comprehensive income and were not material for the three months ended April 4, 2025.

During the three months ended April 4, 2025, the acquisition of Alpha contributed $0.6 million in revenue and $0.2 million of income from operations.

Acquisition of Enica Engineering, PLLC.

On October 23, 2024, (the "Enica Closing Date"), the Company, through its wholly owned subsidiary, WES, acquired substantially all of the assets of Enica Engineering, PLLC. ("Enica"), pursuant to the terms of the Asset Purchase Agreement, dated as of October 23, 2024 (the "Enica Agreement"), by and among the Company, WES, Genesys, Enica, and Reed Berinato ("Berinato") and Mark Prewett ("Prewett" and, together with Berinato, the "Enica Members"). Enica is an energy efficiency company that provides an array of services around energy projects, metering, and consulting services to help its customers drive energy efficiency, decarbonization, and energy reduction. Enica's financial information is included within the Company's Energy segment beginning in the fourth quarter of fiscal year 2024.

The Company agreed to pay (i) $12.0 million in cash on the Enica Closing Date (subject to holdbacks and adjustments) and (ii) up to $6.0 million in cash if Enica exceeds certain financial targets during the two years after the Enica Closing Date, as further described below (such potential payments of up to $6.0 million, being referred to as "Enica Earnout Payments" and $6.0 million in respect thereof, being referred to as the "Enica Maximum Earnout"); for a potential maximum purchase price of $18.0 million.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

The amount of the Enica Earnout Payments to be paid will be determined based on Enica's earnings before interest, taxes, depreciation and amortization ("Enica's EBITDA"). The Enica Members will receive Enica Earnout Payments in each of the two years after the Enica Closing Date (the "Earnout Period") based on the amount by which Enica's EBITDA exceeds certain targets. The amounts due to the Enica Members as Enica Earnout Payments will in no event, individually or in the aggregate, exceed the Enica Maximum Earnout. Enica Earnout Payments will be made in annual installments for each of the two years of the Enica Earnout Period. In addition, the Enica Earnout Payments will be subject to certain subordination provisions in favor of the lenders under the Company's Credit Agreement.

The Enica Agreement contains customary representations and warranties regarding the Company, WES, Genesys, Enica, and the Enica Members, indemnification provisions and other provisions customary for transactions of this nature.

The Company used cash on hand to fund the initial purchase price on the Enica Closing Date.

The acquisition was accounted for as a business combination in accordance with ASC 805. Under ASC 805, the Company recorded the acquired assets and assumed liabilities at their estimated fair value with the excess allocated to goodwill. Goodwill represents the value the Company expects to achieve through the operational synergies, the expansion into new markets and Enica's assembled workforce. The Company estimates that the entire $9.8 million of goodwill resulting from the acquisition will be tax deductible.

Consideration for the acquisition of Enica includes the following:

	Enica
	(in thousands)
Cash consideration	$ 12,211
Other working capital adjustments and holdbacks	—
Contingent consideration	4,060
Total consideration	$ 16,271

The following table summarizes the amounts for the acquired assets recorded at their estimated fair value as of the acquisition date:

	Enica
	(in thousands)
Current assets	$ 2,358
Non-current assets [1]	69
Right-of-use assets	652
Liabilities	(658)
Lease liability	(652)
Backlog	576
Customer relationships	3,892
Tradename	187
Goodwill	9,847
Net assets acquired	$ 16,271

(1) Excluded from non-current assets are right-of-use assets, backlog, customer relationships, tradename, and goodwill.

During the three months ended April 4, 2025, the Company did not make any adjustments to the consideration paid for Enica, and as a result, there were no adjustments to the purchase price allocation for the three months ended April 4, 2025.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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There were $0.1 million in acquisition related costs associated with Enica included in other general and administrative expenses in the condensed consolidated statements of comprehensive income for the three months ended April 4, 2025.

During the three months ended April 4, 2025, the acquisition of Enica contributed $3.0 million in revenue and $0.7 million of income from operations.

The following unaudited pro forma financial information for the three months ended April 4, 2025 and March 29, 2024 assumes that the acquisitions of all the outstanding shares of APG and Alpha, and the acquisition of substantially all of the assets of Enica, occurred on the first day of the year prior to the year of acquisition:

	Three Months Ended	
	April 4, 2025	March 29, 2024
	(in thousands, except per share data)	
Pro forma revenue	$ 156,257	$ 135,367
Pro forma income (loss) from operations	$ 6,785	$ 7,992
Pro forma net income (loss) [(1)]	$ 4,460	$ 4,901
Earnings (Loss) per share:		
Basic	$ 0.31	$ 0.36
Diluted	$ 0.30	$ 0.35
Weighted average shares outstanding:		
Basic	14,163	13,605
Diluted	14,628	13,910

(1) Adjustments to pro forma net income include income from operations, amortization and interest expenses.

This pro forma supplemental information does not purport to be indicative of what the Company's operating results would have been had these acquisitions occurred on the first day of the year prior to the year of acquisition and may not be indicative of future operating results.

During the three months ended April 4, 2025, the acquisitions of APG, Alpha and Enica contributed $6.0 million in revenue and $1.1 million of income from operations.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

13. CONTINGENCIES

Claims and Lawsuits

The Company is subject to claims and lawsuits from time to time, including those alleging professional errors or omissions that arise in the ordinary course of business against firms that operate in the engineering and consulting professions. The Company carries professional liability insurance, subject to certain deductibles and policy limits, for such claims as they arise and may from time to time establish reserves for litigation that is considered probable of a loss.

In accordance with accounting standards regarding loss contingencies, the Company accrues an undiscounted liability for those contingencies where the incurrence of a loss is probable and the amount can be reasonably estimated, and discloses the amount accrued and an estimate of any reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for the Company's financial statements not to be misleading. The Company does not accrue liabilities when the likelihood that the liability has been incurred is probable but the amount cannot be reasonably estimated, or when the liability is believed to be only reasonably possible or remote.

Because litigation outcomes are inherently unpredictable, the Company's evaluation of legal proceedings often involves a series of complex assessments by management about future events and can rely heavily on estimates and assumptions. If the assessments indicate that loss contingencies that could be material to any one of the Company's financial statements are not probable, but are reasonably possible, or are probable, but cannot be estimated, then the Company will disclose the nature of the loss contingencies, together with an estimate of the possible loss or a statement that such loss is not reasonably estimable. While the consequences of certain unresolved proceedings are not presently determinable, and a reasonable estimate of the probable and reasonably possible loss or range of loss in excess of amounts accrued for such proceedings cannot be made, an adverse outcome from such proceedings could have a material adverse effect on the Company's earnings in any given reporting period. However, in the opinion of the Company's management, after consulting with legal counsel, and taking into account insurance coverage, the ultimate liability related to current outstanding claims and lawsuits is not expected to have a material adverse effect on the Company's financial statements.

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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14. SUBSEQUENT EVENTS

In accordance with ASC Topic 855, Subsequent Events, the Company evaluates subsequent events up until the date the Condensed Consolidated Financial Statements are issued.

Amended and Restated Credit Agreement

On May 5, 2025 (the "Closing Date"), the Company entered into the Amended and Restated Credit Agreement (the "Amended and Restated Credit Agreement") with BMO, Inc. as administrative agent (the "Administrative Agent") and the lenders party thereto, which amended and restated the Company's prior Credit Agreement, dated September 29, 2023. The Amended and Restated Credit Agreement, (A) increased the borrowing limit under the Revolving Credit Facility to $100.0 million, (B) reduced the Term Loan A ("TLA") commitment to $50.0 million, (C) provided a new $50.0 million Delayed Draw Term Loan (the "Delayed Draw Term Loan", and together with the Revolving Credit Facility and TLA, the "Credit Facilities"), and (D) extended the maturity date of the Credit Facilities to May 5, 2030. The Company may also request lenders to add incremental term loans or increase the aggregate commitment under the Revolving Credit Facility by an aggregate amount of (i) up to $75.0 million or (ii) 1.0x the Company's last twelve months ("LTM") Adjusted EBITDA (as calculated pursuant to the Amended and Restated Credit Agreement), subject to meeting certain conditions, and only if the lenders agree to provide such additional term loans or revolving commitments.

Pursuant to the Amended and Restated Credit Agreement, borrowings under the Credit Facilities bear interest at either a Base Rate (as defined in the Credit Agreement) or the adjusted Secured Overnight Financing Rate ("SOFR"), at the Company's option, and in each case, plus an applicable margin, which applicable margin ranges from 0.50% to 1.50% with respect to Base Rate borrowings and 1.50% to 2.50% with respect to SOFR borrowings, depending on the Company's Total Net Leverage Ratio (as defined in the Credit Agreement); provided, that SOFR and the Base Rate cannot be less than 0.00%, with the specific pricing reset on each date on which the administrative agent receives the required financial statements under the Credit Agreement for the fiscal quarter then ended. The Company must also pay a commitment fee for the unused portion of the Revolving Credit Facility, which ranges from 0.15% to 0.35% per annum depending on the Company's Total Net Leverage Ratio, and fees on the face amount of any letters of credit outstanding under the Revolving Credit Facility, which range from 1.125% to 1.875% per annum, in each case, depending on the Company's Total Net Leverage Ratio, as well as customary fronting fees payable to BMO as letter of credit issuer. In connection with the closing of the Credit Facilities, the Company paid certain other fees and expenses.

The TLA will amortize quarterly in an amount equal to 5.0% per annum beginning with the first full fiscal quarter ending after the Closing Date, with a final payment of all then remaining principal and interest due on the maturity date of May 5, 2030. Each borrowing under the Delayed Draw Term Loan will amortize in an amount equal to 5.0% per annum of the aggregate outstanding borrowings under the Delayed Draw Term Loan, beginning with the first full fiscal quarter ending after the initial borrowing date, with a final payment of all then remaining principal and interest due on the maturity date of May 5, 2030. The amounts outstanding under the Credit Facilities may be prepaid in whole or in part at any time without penalty (other than customary breakage costs).

Willdan Group, Inc. is the borrower under the Amended and Restated Credit Agreement and its obligations under the Amended and Restated Credit Agreement are guaranteed by its present and future domestic subsidiaries (other than inactive subsidiaries). In addition, subject to certain exceptions, all such obligations are secured by substantially all of the assets of the Company and the subsidiary guarantors (other than inactive subsidiaries).

The Credit Agreement requires compliance with financial covenants, including a maximum Net Leverage Ratio and a minimum Fixed Charge Coverage Ratio (as defined in the Credit Agreement). The Credit Agreement also contains customary restrictive covenants, including (i) restrictions on the incurrence of additional indebtedness and additional

WILLDAN GROUP, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

liens on property, (ii) restrictions on permitted acquisitions and other investments and (iii) limitations on asset sales, mergers and acquisitions. Further, the Credit Agreement limits the Company's payment of future dividends and distributions and share repurchases by the Company. Subject to certain exceptions, the borrowings under the Credit Agreement are also subject to mandatory prepayment from (a) any issuances of debt or equity securities, (b) any sale or disposition of assets, (c) insurance and condemnation proceeds, and (d) a percentage of Excess Cash Flow, as defined in the Agreement. The Credit Agreement includes customary events of default.

In connection with entering into the Amended and Restated Credit Agreement, the Company borrowed $38.4 million under the Revolving Credit Facility which it used to repay a portion of the TLA such that, on the Closing Date, the outstanding principal amount of the TLA was $50.0 million.

As of May 5, 2025, the Company had a fully drawn $50.0 million TLA with $50.0 million outstanding, a $100.0 million Revolving Credit Facility with $38.4 million outstanding and $1.6 million in letters of credit issued, and a $50.0 million Delayed Draw Term Loan with no borrowed amounts. The Company's condensed consolidated balance sheet reflects the update in the classification of short-term and long-term notes payable arising out of the Amended and Restated Credit Agreement.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Company

We are a provider of professional, technical and consulting services to utilities, private industry, and public agencies at all levels of government. As resource and infrastructure needs undergo continuous change, we help organizations and their communities evolve and thrive by providing a wide range of technical services for energy solutions, greenhouse gas reduction, and government infrastructure. Through engineering, program management, policy advisory, and software and data management, we plan, design and deliver trusted, comprehensive, innovative, and proven solutions to improve efficiency, resiliency, and sustainability in energy and infrastructure to our clients.

Our broad portfolio of services operates within two financial reporting segments: (1) Energy and (2) Engineering and Consulting. The interfaces and synergies between these segments are important elements of our strategy to design and deliver trusted, comprehensive, innovative, and proven solutions and services for our customers.

Our Energy segment provides specialized, innovative, comprehensive energy solutions to businesses, utilities, state agencies, municipalities, and non-profit organizations in the U.S. Our experienced engineers, consultants, and staff help our clients realize cost and energy savings by tailoring efficient and cost-effective solutions to assist in optimizing energy spend. Our energy efficiency services include comprehensive audit and surveys, program design, master planning, demand reduction, grid optimization, benchmarking analyses, design engineering, construction management, performance contracting, installation, alternative financing, measurement and verification services, and advances in software and data analytics for long-term planning.

Our Engineering and Consulting segment provides civil engineering-related construction management, building and safety, city engineering office management, city planning, civil design, geotechnical, material testing and other engineering consulting services to our clients. Our engineering services include traffic, bridges, rail, port, water, mining and other civil engineering projects. We also provide economic and financial consulting to public agencies. Lastly, we supplement the engineering services that we offer our clients by offering expertise and support for the various financing techniques public agencies utilize to finance their operations and infrastructure. We also support the mandated reporting and other requirements associated with these financings. We provide financial advisory services for municipal securities but do not provide underwriting services.

Results of Operations

First Quarter Overview

The following table sets forth, for the periods indicated, certain information derived from our condensed consolidated statements of comprehensive income[(1)]:

	Three Months Ended					
	April 4, 2025		March 29, 2024		$ Change	% Change
	(in thousands, except percentages)					
Contract revenue	$ 152,386	100.0 %	$ 122,489	100.0 %	$ 29,897	24.4 %
Direct costs of contract revenue:						
Salaries and wages	27,677	18.2	21,512	17.6	6,165	28.7
Subcontractor services and other direct costs	67,048	44.0	53,559	43.7	13,489	25.2
Total direct costs of contract revenue	94,725	62.2	75,071	61.3	19,654	26.2
Gross profit	57,661	37.8	47,418	38.7	10,243	21.6
General and administrative expenses:						
Salaries and wages, payroll taxes and employee benefits	31,108	20.4	26,509	21.6	4,599	17.3
Facilities and facilities related	2,624	1.7	2,445	2.0	179	7.3
Stock-based compensation	2,426	1.6	1,390	1.1	1,036	74.5
Depreciation and amortization	4,440	2.9	3,592	2.9	848	23.6
Other	10,027	6.6	8,121	6.6	1,906	23.5
Total general and administrative expenses	50,625	33.2	42,057	34.3	8,568	20.4
Income (loss) from operations	7,036	4.6	5,361	4.4	1,675	31.2
Other income (expense):						
Interest expense	(1,802)	(1.2)	(2,137)	(1.7)	335	(15.7)
Other, net	(41)	(0.0)	704	0.6	(745)	(105.8)
Total other income (expense)	(1,843)	(1.2)	(1,433)	(1.2)	(410)	28.6
Income (Loss) before income tax expense	5,193	3.4	3,928	3.2	1,265	32.2
Income tax expense (benefit)	506	0.3	986	0.8	(480)	(48.7)
Net income (loss)	$ 4,687	3.1	$ 2,942	2.4	$ 1,745	59.3

(1) Percentages are expressed as a percentage of contract revenue and may not total due to rounding.

The following tables provides information about disaggregated revenue of our two segments, Energy and Engineering and Consulting, by contract type, client type and geographical region:

	Three months ended April 4, 2025		
	Energy	Engineering and Consulting	Total
	(in thousands)		
Contract Type			
Time-and-materials	$ 11,602	$ 18,060	$ 29,662
Unit-based	47,707	6,255	53,962
Fixed price	66,939	1,823	68,762
Total [1]	$ 126,248	$ 26,138	$ 152,386
Client Type			
Commercial	$ 13,515	$ 1,811	$ 15,326
Government	48,324	24,272	72,596
Utilities [2]	64,409	55	64,464
Total [1]	$ 126,248	$ 26,138	$ 152,386
Geography [3]			
Domestic	$ 126,248	$ 26,138	$ 152,386

	Three months ended March 29, 2024		
	Energy	Engineering and Consulting	Total
	(in thousands)		
Contract Type			
Time-and-materials	$ 8,537	$ 16,399	$ 24,936
Unit-based	46,957	4,511	51,468
Fixed price	45,252	833	46,085
Total [1]	$ 100,746	$ 21,743	$ 122,489
Client Type			
Commercial	$ 7,203	$ 1,580	$ 8,783
Government	35,820	20,098	55,918
Utilities [2]	57,723	65	57,788
Total [1]	$ 100,746	$ 21,743	$ 122,489
Geography [3]			
Domestic	$ 100,746	$ 21,743	$ 122,489

(1) Amounts may not add to the totals due to rounding.
(2) Includes the portion of revenue related to small business programs paid by the end user/customer.
(3) *Revenue from our foreign operations were not material for the three months ended April 4, 2025 and March 29, 2024.*

Three Months Ended April 4, 2025 Compared to Three Months Ended March 29, 2024

Contract revenue. Consolidated contract revenue increased $29.9 million, or 24.4%, in the three months ended April 4, 2025, compared to the three months ended March 29, 2024, reflecting increased demand for our services in both our Energy segment and our Engineering and Consulting segment.

Contract revenue in our Energy segment increased $25.5 million, or 25.3%, in the three months ended April 4, 2025, compared to the three months ended March 29, 2024, primarily as a result of increased demand for energy efficiency and electrification services under utility programs, higher construction management revenues, higher planning and advisory consulting revenues, and the incremental revenues from our acquisitions of Enica Engineering, PLCC. (“Enica”) and Alternative Power Generation, Inc. (“APG”).

Contract revenue in our Engineering and Consulting segment increased $4.4 million, or 20.2%, in the three months ended April 4, 2025, compared to the three months ended March 29, 2024, primarily due to increased demand for services provided to our clients, combined with the incremental revenues from our acquisition of Alpha Inspections, Inc. (“Alpha”).

Direct costs of contract revenue. Direct costs of consolidated contract revenue increased $19.7 million, or 26.2%, for the three months ended April 4, 2025, compared to the three months ended March 29, 2024, primarily as a result of the increase and change of mix in contract revenues as described above. As a percentage of contract revenue, direct salaries and wages increased to 18.2% in the three months ended April 4, 2025 from 17.6% in the three months ended March 29, 2024, while subcontractor services and other direct costs was relatively flat for the three months ended April 4, 2025 compared to the three months ended March 29, 2024.

Direct costs of contract revenue in our Energy segment increased $17.7 million, or 27.1%, for the three months ended April 4, 2025, compared to the three months ended March 29, 2024. Direct costs of contract revenue for the Engineering and Consulting segment increased $2.0 million, or 20.0%, in the three months ended April 4, 2025, compared to the three months ended March 29, 2024.

Subcontractor services and other direct costs increased by $13.5 million, or 25.2%, in the three months ended April 4, 2025, compared to the three months ended March 29, 2024, primarily due to the increase in utility program revenues and construction management revenues, which utilize a higher percentage of material cost and installation subcontracting. Salaries and wages increased by $6.2 million, or 28.7%, in the three months ended April 4, 2025, compared to the three months ended March 29, 2024, primarily as a result of the increases in contract revenue as described above.

Gross Profit. Gross profit increased 21.6% to $57.7 million, or 37.8% gross margin, for the three months ended April 4, 2025, compared to gross profit of $47.4 million, or 38.7% gross margin, for the three months ended March 29, 2024. The decrease in our gross margin was primarily driven by changes in the mix of revenues as described above.

General and administrative expenses. General and administrative ("G&A") expenses increased $8.6 million, or 20.4%, to $50.6 million in the three months ended April 4, 2025, compared to $42.1 million for the three months ended March 29, 2024. G&A expenses consisted of an increase of $7.0 million, or 21.9%, in the Energy segment combined with an increase of $1.4 million, or 15.5%, in the Engineering and Consulting segment, and an increase of $0.2 million, or 17.1%, in unallocated corporate expenses.

The overall increase in G&A expenses consisted of an increase of $4.6 million in salaries and wages, payroll taxes and employee benefits, an increase of $1.9 million in other general and administrative expenses, an increase of $1.0 million in stock-based compensation, and an increase of $0.8 million in depreciation and amortization. The increase in salaries and wages, payroll taxes and employee benefits was primarily due to an increase in incentive compensation, consistent with the improvement in operating profit, and higher fringe benefit costs. The increase in other general and administrative expenses was primarily due to increased professional service fees and computer-related expenses. The increase in stock-based compensation expenses was primarily related to new stock grants to current employees and executives at a higher stock price. The increase in depreciation and amortization was primarily related to higher amortization of intangible assets from recent acquisitions.

Income (loss) from operations. Operating income increased to $7.0 million for the three months ended April 4, 2025, compared to an operating income of $5.4 million for the three months ended March 29, 2024, as a result of the factors noted above.

Total other expense, net. Total other expense, net, increased $0.4 million, or 28.6%, for the three months ended April 4, 2025, compared to the three months ended March 29, 2024, primarily due to a one-time charge related to a facility lease modification, partially offset by lower interest expense resulting from the reduced interest rate spread derived from lower debt leverage levels under our credit facilities.

Income tax expense (benefit). We recorded an income tax expense of $0.5 million for the three months ended April 4, 2025, an effective tax rate of 9.8% on income before income tax expense, compared to an income tax expense of $1.0 million for the three months ended March 29, 2024, an effective tax rate of 25.1% on income before tax expense. The reduction in the effective tax rate resulted from increases in discrete items related to stock compensation deductions and additional energy-efficiency building deductions.

Net income (loss). Our net income was $4.7 million for the three months ended April 4, 2025, as compared to a net income of $2.9 million for the three months ended March 29, 2024. The increase in net income was primarily attributable to the increase in income from operations combined with the lower effective tax rate.

Liquidity and Capital Resources

	Three Months Ended	
	April 4, 2025	March 29, 2024
	(in thousands)	
Net cash provided by (used in):		
Operating activities	$ 3,311	$ 26,949
Investing activities	(34,764)	(1,952)
Financing activities	(4,341)	(1,469)
Net increase (decrease) in cash and cash equivalents	$ (35,794)	$ 23,528

Sources of Cash

Our primary sources of liquidity for the next 12 months and beyond are cash generated from operations, cash and cash equivalents, and available borrowings under our revolving credit facility under the Credit Agreement (the "Revolving Credit Facility"). We believe that our cash and cash equivalents, cash generated by operating activities, and available borrowings under our Revolving Credit Facility will be sufficient to finance our operating activities for at least the next 12 months.

As of April 4, 2025, we had a fully drawn $100 million term loan with $87.5 million outstanding (the "Term Loan", and collectively with the Revolving Credit Facility, the "Credit Facilities"), and a $50.0 million Revolving Credit Facility with no borrowed amounts and $1.6 million in letters of credit issued, each scheduled to mature on September 29, 2026. In addition, as of April 4, 2025, we had $38.4 million of unrestricted cash and cash equivalents. As of April 4, 2025, unhedged borrowings under our Credit Facilities, exclusive of the effects of upfront fees, undrawn fees and issuance cost amortization, bore interest at an annual rate of 6.4%.

On May 5, 2025 (the "Closing Date"), we entered into the Amended and Restated Credit Agreement (the "Amended and Restated Credit Agreement"). The Amended and Restated Credit Agreement (A) increased the borrowing limit under the Revolving Credit Facility to $100.0 million, (B) reduced the Term Loan A ("TLA") commitment to $50.0 million, (C) provided a new $50.0 million Delayed Draw Term Loan (the "Delayed Draw Term Loan," and together with the Revolving Credit Facility and TLA, the "Credit Facilities"), and (D) extended the maturity date of the Credit Facilities to May 5, 2030. In connection with the Amended and Restated Credit Agreement, the Company borrowed $38.4 million under the Revolving Credit Facility which it used to repay a portion of the TLA such that, on the Closing Date, the outstanding principal amount of the TLA was $50.0 million. See Part I, Item 1, Note 6, "Debt Obligations", Note 14, "Subsequent Events" of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q, and Part II, Item 8, Note 5, "Debt Obligations", of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 27, 2024, for information regarding our indebtedness, including information about borrowings and repayments, principal repayment terms, interest rates, covenants, and other key terms of our outstanding indebtedness.

Cash Flows from Operating Activities

Cash flows provided by operating activities were $3.3 million for the three months ended April 4, 2025, as compared to cash flows provided by operating activities of $26.9 million for the three months ended March 29, 2024. Cash flows from operating activities primarily consists of net income, adjusted for non-cash charges, such as depreciation and amortization and stock-based compensation, plus or minus changes in current operating assets and liabilities. Cash flows provided by operating activities for the three months ended April 4, 2025, resulted primarily from the increase in earnings and working capital requirements. Cash flows provided by operating activities for the three months ended March 29, 2024, resulted primarily from the increase in earnings and lower working capital requirements

due to a reduction in revenues from the three months ended December 29, 2023 to the three months ended March 29, 2024.

Cash Flows from Investing Activities

Cash flows used in investing activities were $34.8 million for the three months ended April 4, 2025, as compared to cash flows used in investing activities of $2.0 million for the three months ended March 29, 2024. Cash flows used in investing activities for the three months ended April 4, 2025 were primarily due to cash paid for acquisitions, combined with cash paid for the development of proprietary software and the purchase of computers and equipment. Cash flows used in investing activities for the three months ended March 29, 2024 were primarily due to cash paid for the development of software and the purchase of computers and equipment.

Cash Flows from Financing Activities

Cash flows used in financing activities were $4.3 million for the three months ended April 4, 2025, as compared to cash flows used in financing activities of $1.5 million for the three months ended March 29, 2024. Cash flows used in financing activities for the three months ended April 4, 2025 were primarily attributable to the $2.9 million cash used to pay withholding taxes on stock grants, the repayments of $2.5 million under our Term Loan, partially offset by $1.5 million of proceeds from sales of common stock under employee stock purchase plan. Cash flows used in financing activities for the three months ended March 29, 2024 were primarily attributable to the repayments of $1.9 million under our Term Loan, and $0.8 million cash used to pay withholding taxes on stock grants, partially offset by $1.4 million of proceeds from sales of common stock under employee stock purchase plan.

Under certain utility contracts, we periodically receive cash deposits to be held in trust for the payment of energy incentive rebates to be sent directly to the utility's end-customer on behalf of the utility. We act solely as the utility's agent to distribute these funds to the end-customer and, accordingly, we classify these contractually restricted funds as restricted cash. Because these funds are held in trust for pass through to the utility's customers and have no impact on our working capital or operating cash flows, these cash receipts are presented in the condensed consolidated statement of cash flows as financing cash inflows, "Receipt of restricted cash", with the subsequent payments classified as financing cash outflows, "Payment of restricted cash."

Off-Balance Sheet Arrangements

We do not have any off-balance sheet financing arrangements or liabilities. In addition, our policy is not to enter into futures or forward contracts. Finally, we do not have any majority-owned subsidiaries or any interests in, or relationships with, any special-purpose entities that are not included in the consolidated financial statements. We have, however, an administrative services agreement with Genesys in which we provide Genesys with ongoing administrative, operational and other non-professional support services. We manage Genesys and have the power to direct the activities that most significantly impact Genesys' performance, in addition to being obligated to absorb expected losses from Genesys. Accordingly, we are the primary beneficiary of Genesys and consolidate Genesys as a variable interest entity.

Short and Long-term Uses of Cash

General

Our principal uses of cash are to fund operating expenses, support working capital requirements, finance capital expenditures, and pay down outstanding debt. From time to time, we also use cash to help fund business acquisitions. Our cash and cash equivalents are impacted by the timing of when we invoice and are paid by our customers for services rendered and when we pay expenses as reflected in the change in our outstanding accounts payable and accrued expenses.

Contractual Obligations

The following table sets forth our known contractual obligations as of April 4, 2025:

Contractual Obligations	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
			(in thousands)		
Debt [1]	$ 86,943	$ 2,500	$ 84,443	$ —	$ —
Interest payments on debt outstanding [2]	7,676	5,238	2,438	—	—
Operating leases	14,390	5,840	6,759	1,791	—
Finance leases	2,704	1,233	1,380	91	—
Total contractual cash obligations	$ 111,713	$ 14,811	$ 95,020	$ 1,882	$ —

(1) Debt includes $86.9 million outstanding on our Term Loan, net of issuance costs, and no borrowed amounts outstanding on our Revolving Credit Facility as of April 4, 2025. We have assumed no future borrowings or repayments (other than at maturity) for purposes of this table. Our Term Loan is scheduled to mature on September 29, 2026.

(2) Borrowings under our Term Loan and Revolving Credit Facility bear interest at a variable rate. Future interest payments on our Credit Facility are estimated using floating rates in effect as of April 4, 2025.

We are obligated to pay earnout payments in connection with our acquisitions of Enica and APG. We are obligated to pay up to $6.0 million in cash if Enica exceeds certain financial targets during the two years after the Enica closing date of October 23, 2024 and are obligated to pay up to $18.0 million in cash if APG exceeds certain financial targets during the three years after the APG closing date of March 3, 2025. As of April 4, 2025, we had contingent consideration payable of $16.9 million related to the acquisitions of Enica and APG. For fiscal year 2024, our statement of operations includes $0.5 million of interest accretion (excluding fair value adjustments) related to the contingent consideration.

Outstanding Indebtedness

See Part I, Item 1, Note 6, "*Debt Obligations*", Note 14, "*Subsequent Events*", of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q, and Part II, Item 8, Note 5, "*Debt Obligations*", of the Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 27, 2024, for information regarding our indebtedness, including information about new borrowings and repayments, principal repayment terms, interest rates, covenants, and other key terms of our outstanding indebtedness.

Interest Rate Swap

From time to time, we enter into interest rate swap agreements to moderate our exposure to fluctuations in interest rates underlying our variable rate debt. For more information, see Part I, Item 3, "*Quantitative and Qualitative Disclosures About Market Risk*", and Note 5, "*Derivative Financial Instruments*", to the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

Impact of Inflation

Due to the average duration of our projects and our ability to negotiate prices as contracts end and new contracts begin, historically, our operations have not been materially impacted by inflation.

While not material to our results of operations and financial condition, we have experienced higher cost of materials and delays in our supply chain for equipment. The prices of finished products from manufacturers are subject to fluctuation and increases. It is difficult to accurately measure the impact of inflation, tariffs, price escalation, raw material costs, and other factors that impact the cost of finished goods due to the imprecise nature of the estimates required.

We are often able to mitigate the impact of future price increases by entering into fixed price purchase orders for materials and equipment, and subcontracts on our projects, as well as, when appropriate, including cost escalation factors into our proposals. Despite our best mitigation efforts, significant price increases in equipment and disruptions to our supply chain could materially impact our results of operations and financial condition. In addition, inflationary pressures, including expectations of future inflation, may impact the customers of our utility clients, which may lead to delayed or deferred decisions regarding expenditures to improve energy efficiency, and therefore potentially impact our future revenues.

Impact of Certain Federal Policies

Federal policies related to tariffs and renewable energy incentives have been subject to frequent and significant changes from executive orders issued by the new federal administration. While we have not experienced a material impact to our operating results or our outlook for future business, there can be no assurance that these measures will not impact our ability to procure cost-effective pricing of materials used in our projects at various building sites, or result in a reduction in demand for our services as a result of inflation, lead times, or other impacts that may derive from changes in the current administration's executive orders.

Components of Revenue and Expense

Contract Revenue

We generally provide our services under contracts, purchase orders or retainer letters. The agreements we enter into with our clients typically incorporate one of three principal types of pricing provisions: time-and-materials, unit-based, and fixed price. Revenue on our time-and-materials and unit-based contracts are recognized as the work is performed in accordance with specific terms of the contract. As of April 4, 2025, 20% of our contracts are time-and-materials contracts, 35% are unit-based contracts, and 45% are fixed price contracts, compared to 20% are time-and-materials contracts, 42% are unit-based contracts, and 38% are fixed price contracts, as of March 29, 2024.

Some of these contracts include maximum contract prices, but contract maximums are often adjusted to reflect the level of effort to achieve client objectives and thus the majority of these contracts are not expected to exceed the maximum. Contract revenue on our fixed price contracts is determined on the percentage of completion method based generally on the ratio of direct costs incurred to date to estimated total direct costs at completion. Many of our fixed price contracts involve a high degree of subcontracted fixed price effort and are relatively short in duration, thereby lowering the risks of not properly estimating the percent complete.

Adjustments to contract cost estimates are made in the periods in which the facts requiring such revisions become known. When the revised estimate indicates a loss, such loss is recognized in the current period in its entirety. Claims and change orders that have not been finalized are evaluated to determine whether or not a change has occurred in the enforceable rights and obligations of the original contract. If these non-finalized changes qualify as a contract modification, a determination is made whether to account for the change in contract value as a modification to the existing contract, or a separate contract and revenue under the claims or change orders is recognized accordingly. Costs related to un-priced change orders are expensed when incurred, and recognition of the related revenue is based on the

assessment above of whether or not a contract modification has occurred. Estimated profit for un-priced change orders is recognized only if collection is probable.

Our contracts come up for renewal periodically and at the time of renewal may be subject to renegotiation, which could impact the profitability of that contract. In addition, during the term of a contract, public agencies may request additional or revised services which may impact the economics of the transaction. Most of our contracts permit our clients, with prior notice, to terminate the contracts at any time without cause. While we have a large volume of contracts, the renewal, termination or modification of a contract, in particular contracts with Consolidated Edison, the Dormitory Authority-State of New York, the New York City Housing Authority, and utility programs associated with Los Angeles Department of Water and Power and Southern California Edison, may have a material effect on our consolidated operations.

Some of our contracts include certain performance guarantees, such as a guaranteed energy saving quantity. Such guarantees are generally measured upon completion of a project. In the event that the measured performance level is less than the guaranteed level, any resulting financial penalty, including any additional work that may be required to fulfill the guarantee, is estimated and charged to direct expenses in the current period. We have not experienced any significant costs under such guarantees.

Direct Costs of Contract Revenue

Direct costs of contract revenue consist primarily of that portion of salaries and wages that have been incurred in connection with revenue producing projects. Direct costs of contract revenue also include material costs, subcontractor services, equipment and other expenses that are incurred in connection with revenue producing projects. Direct costs of contract revenue exclude that portion of salaries and wages related to marketing efforts, vacations, holidays and other time not spent directly generating revenue under existing contracts. Such costs are included in general and administrative expenses. Additionally, payroll taxes, bonuses and employee benefit costs for all of our personnel are included in general and administrative expenses since no allocation of these costs is made to direct costs of contract revenue.

Other companies may classify as direct costs of contract revenue some of the costs that we classify as general and administrative costs. We expense direct costs of contract revenue when incurred.

General and Administrative Expenses

G&A expenses include the costs of the marketing and support staff, other marketing expenses, management and administrative personnel costs, payroll taxes, bonuses and employee benefits for all of our employees and the portion of salaries and wages not allocated to direct costs of contract revenue for those employees who provide our services. G&A expenses also include facility costs, depreciation and amortization, professional services, legal and accounting fees and administrative operating costs. Within G&A expenses, “Other” includes expenses such as professional services, legal and accounting, computer costs, travel and entertainment, marketing costs and acquisition costs. We expense general and administrative costs when incurred.

Critical Accounting Policies

We have prepared the accompanying unaudited Condensed Consolidated Financial Statements in accordance with generally accepted accounting principles in the U.S. (“GAAP”). To prepare these financial statements in conformity with GAAP, we must make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses in the reporting period. Our actual results may differ from these estimates. We have adopted accounting policies and practices that are generally accepted in the industry in which we operate.

There have been no material changes in our critical accounting policies and estimates from those disclosed in our Annual Report on Form 10-K for our fiscal year ended December 27, 2024. Please refer to Part II, Item 7 of our

Annual Report on Form 10-K for the fiscal year ended December 27, 2024 for a discussion of our critical accounting policies and estimates.

Recent Accounting Standards

For a description of recently issued and adopted accounting pronouncements, including adoption dates and expected effects on our results of operations and financial condition, see Part I, Item 1, Note 2, "*Recent Accounting Pronouncements*", of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Market risk is the risk of loss to future earnings, to fair values or to future cash flows that may result from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, exchange rates, commodity prices, equity prices and other market changes. Market risk is attributed to all market risk sensitive financial instruments, including long-term debt.

As of April 4, 2025, we had cash and cash equivalents of $38.4 million. This amount represents cash on hand in business checking accounts with BMO Bank, N.A. We do not engage in trading activities and do not participate in foreign currency transactions.

We are subject to interest rate risk in connection with our Term Loan and borrowings, if any, under our Revolving Credit Facility, each of which bears interest at variable rates. As of April 4, 2025, $87.5 million was outstanding under our Term Loan, and we had no borrowed amounts outstanding and $1.6 million in letters of credit were issued under our Revolving Credit Facility. Each of our Term Loan and Revolving Credit Facility mature on September 29, 2026 and are governed by our Credit Agreement.

On May 5, 2025 (the "Closing Date"), the Company entered into the Amended and Restated Credit Agreement with BMO, Inc. as administrative agent (the "Administrative Agent") and the lenders party thereto, which amended and restated the Company's prior Credit Agreement, dated September 29, 2023.. The Amended and Restated Credit Agreement (A) increased the borrowing limit under the Revolving Credit Facility to $100.0 million, (B) reduced the TLA commitment to $50.0 million, (C) provided a new $50.0 million Delayed Draw Term Loan , and (D) extended the maturity date of the Credit Facilities to May 5, 2030. The Company may also request lenders to add incremental term loans or increase the aggregate commitment under the Revolving Credit Facility by an aggregate amount of (i) up to $75.0 million or (ii) 1.0x last twelve months ("LTM") Adjusted EBITDA (as calculated pursuant to the Amended and Restated Credit Agreement), subject to meeting certain conditions, and only if the lenders agree to provide such additional term loans or revolving commitments.

Pursuant to the Amended and Restated Credit Agreement, (as described in Part I, Item 1, Note 14, "*Subsequent Events*", of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q), borrowings under the Credit Facilities bear interest at either a Base Rate (as defined in the Credit Agreement) or the adjusted Secured Overnight Financing Rate ("SOFR"), at the Company's option, and in each case, plus an applicable margin, which applicable margin ranges from 0.50% to 1.50% with respect to Base Rate borrowings and 1.50% to 2.50% with respect to SOFR borrowings, depending on the Company's Total Net Leverage Ratio (as defined in the Credit Agreement); provided, that SOFR and the Base Rate cannot be less than 0.00%, with the specific pricing reset on each date on which the Administrative Agent receives the required financial statements under the Credit Agreement for the fiscal quarter then ended. The Company must also pay a commitment fee for the unused portion of the Revolving Credit Facility, which ranges from 0.15% to 0.35% per annum depending on the Company's Total Net Leverage Ratio, and fees on the face amount of any letters of credit outstanding under the Revolving Credit Facility, which range from 1.125% to 1.875% per annum, in each case, depending on the Company's Total Net Leverage Ratio, as well as customary fronting fees payable to BMO as letter of credit issuer.

The TLA will amortize quarterly in an amount equal to 5.0% per annum beginning with the first fiscal quarter ending after the Closing Date, with a final payment of all then remaining principal and interest due on the maturity date of May 5, 2030. Each borrowing under the Delayed Draw Term Loan will amortize in an amount equal to 5.0% per annum of the aggregate outstanding borrowings under the Delayed Draw Term Loan, beginning with the first full fiscal quarter ending after the initial borrowing date, with a final payment of all then remaining principal and interest due on the maturity date of May 5, 2030. The amounts outstanding under the Credit Facilities may be prepaid in whole or in part at any time without penalty (other than customary breakage costs).

On November 30, 2023, we entered into an interest rate swap agreement for $50.0 million notional amount. The interest swap agreement was designated as a cash flow hedge to fix the variable interest rate on a portion of the

outstanding principal amount under our Term Loan. The interest rate swap fixed rate is 4.77% and expires on September 29, 2026.

As of May 5, 2025, the Company had a fully drawn $50.0 million TLA with $50.0 million outstanding, a $100.0 million Revolving Credit Facility with $38.4 million outstanding and $1.6 million in letters of credit issued, and a $50.0 million Delayed Draw Term Loan with no borrowed amounts.

Based upon the amount of our outstanding indebtedness as of May 5, 2025, a one percentage point increase in the effective interest rate would change our annual interest expense by approximately $0.9 million in fiscal year 2025.

ITEM 4. Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) and Rule 15-d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as controls and other procedures that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act is accumulated and communicated to our management, including our including our President and Chief Executive Officer, Michael A. Bieber, and our Chief Financial Officer and Executive Vice President, Creighton K. Early, as appropriate to allow timely decisions regarding required disclosure.

In connection with the preparation of this Quarterly Report, an evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of April 4, 2025. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective, at a reasonable assurance level, as of April 4, 2025.

On October 23, 2024, January 31, 2025, and March 3, 2025, we completed the acquisition of Enica, Alpha, and APG, respectively. Prior to the acquisition, Enica, Alpha, and APG were privately-held companies and were not subject to the Sarbanes-Oxley Act of 2002, the rules and regulations of the SEC, or other corporate governance requirements applicable to public reporting companies. As part of our ongoing integration activities, we are continuing to incorporate our controls and procedures into Enica, Alpha, and APG, and, if needed, to augment our company-wide controls to reflect the risks that may be inherent in the acquisition of these privately-held companies.

Other than our integration of Enica, Alpha, and APG, there have been no changes in our internal control over financial reporting during the quarter ended April 4, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

We are subject to claims and lawsuits from time to time, including those alleging professional errors or omissions that arise in the ordinary course of business against firms that operate in the engineering and consulting professions. We carry professional liability insurance, subject to certain deductibles and policy limits, for such claims as they arise and may from time to time establish reserves for litigation that is considered probable of a loss.

In accordance with accounting standards regarding loss contingencies, we accrue an undiscounted liability for those contingencies where the incurrence of a loss is probable and the amount can be reasonably estimated, and we disclose the amount accrued and an estimate of any reasonably possible loss in excess of the amount accrued, if such disclosure is necessary for our financial statements not to be misleading. We do not accrue liabilities when the likelihood that the liability has been incurred is probable but the amount cannot be reasonably estimated, or when the liability is believed to be only reasonably possible or remote.

Because litigation outcomes are inherently unpredictable, our evaluation of legal proceedings often involves a series of complex assessments by management about future events and can rely heavily on estimates and assumptions. If the assessments indicate that loss contingencies that could be material to any one of our financial statements are not probable, but are reasonably possible, or are probable, but cannot be estimated, then we disclose the nature of the loss contingencies, together with an estimate of the possible loss or a statement that such loss is not reasonably estimable. While the consequences of certain unresolved proceedings are not presently determinable, and a reasonable estimate of the probable and reasonably possible loss or range of loss in excess of amounts accrued for such proceedings cannot be made, an adverse outcome from such proceedings could have a material adverse effect on our earnings in any given reporting period. However, in the opinion of our management, after consulting with legal counsel, and taking into account insurance coverage, the ultimate liability related to current outstanding claims and lawsuits is not expected to have a material adverse effect on our financial statements.

ITEM 1A. Risk Factors

There are no material changes to the risk factors set forth in Part I, Item 1A, *Risk Factors* in our Annual Report on Form 10-K for the year ended December 27, 2024.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the fiscal quarter ended April 4, 2025, we made the following repurchases of shares of our common stock from employees to satisfy tax withholding obligations incurred in connection with the vesting of restricted stock:

	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet be Purchased Under the Plans or Programs
December 28, 2024 – January 31, 2025	—	—	—	—
February 1, 2025 – February 28, 2025	—	—	—	—
March 1, 2025 – April 4, 2025	69,033	41.78	—	—
TOTAL	**69,033**	**$41.78**	**—**	**—**

ITEM 3. Defaults upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

Not applicable.

ITEM 5. Other Information

Rule 10b5-1

None.

Because we are filing this Quarterly Report within four business days after the triggering event, we are making the following disclosure under this "Item 5. Other Information" instead of filing a Current Report on Form 8-K under Item 1.01, Entry into a Material Definitive Agreement, and Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Item 1.01 Entry into a Material Definitive Agreement

Amended and Restated Credit Agreement

On the Closing Date, the Company entered into the Amended and Restated Credit Agreement. The Amended and Restated Credit Agreement (A) increased the borrowing limit under the Revolving Credit Facility to $100.0 million, (B) reduced the TLA commitment to $50.0 million, (C) provided a new $50.0 million Delayed Draw Term Loan, and (D) extended the maturity date of the Credit Facilities to May 5, 2030. The Company may also request lenders to add incremental term loans or increase the aggregate commitment under the Revolving Credit Facility by an aggregate amount of (i) up to $75.0 million or (ii) 1.0x the Company's LTM Adjusted EBITDA (as calculated pursuant to the Amended and Restated Credit Agreement), subject to meeting certain conditions, and only if the lenders agree to provide such additional term loans or revolving commitments.

Pursuant to the Amended and Restated Credit Agreement, borrowings under the Credit Facilities bear interest at either a Base Rate (as defined in the Credit Agreement) or the adjusted Secured Overnight Financing Rate ("SOFR"), at the Company's option, and in each case, plus an applicable margin, which applicable margin ranges from 0.50% to 1.50% with respect to Base Rate borrowings and 1.50% to 2.50% with respect to SOFR borrowings, depending on the Company's Total Net Leverage Ratio (as defined in the Credit Agreement); provided, that SOFR and the Base Rate cannot be less than 0.00%, with the specific pricing reset on each date on which the Administrative Agent receives the required financial statements under the Credit Agreement for the fiscal quarter then ended. The Company must also pay a commitment fee for the unused portion of the Revolving Credit Facility, which ranges from 0.15% to 0.35% per annum depending on the Company's Total Net Leverage Ratio, and fees on the face amount of any letters of credit outstanding under the Revolving Credit Facility, which range from 1.125% to 1.875% per annum, in each case, depending on the Company's Total Net Leverage Ratio, as well as customary fronting fees payable to BMO as letter of credit issuer. In connection with the closing of the Credit Facilities, the Company paid certain other fees and expenses.

The TLA will amortize quarterly in an amount equal to 5.0% per annum beginning with the first fiscal quarter ending after the Closing Date, with a final payment of all then remaining principal and interest due on the maturity date

of May 5, 2030. Each borrowing under the Delayed Draw Term Loan will amortize in an amount equal to 5.0% per annum of the aggregate outstanding borrowings under the Delayed Draw Term Loan, beginning with the first fiscal quarter ending after the initial borrowing date, with a final payment of all then remaining principal and interest due on the maturity date of May 5, 2030. The amounts outstanding under the Credit Facilities may be prepaid in whole or in part at any time without penalty (other than customary breakage costs).

Willdan Group, Inc. is the borrower under the Amended and Restated Credit Agreement and its obligations under the Amended and Restated Credit Agreement are guaranteed by its present and future domestic subsidiaries (other than inactive subsidiaries). In addition, subject to certain exceptions, all such obligations are secured by substantially all of the assets of the Company and the subsidiary guarantors (other than inactive subsidiaries).

The Credit Agreement requires compliance with financial covenants, including a maximum Net Leverage Ratio and a minimum Fixed Charge Coverage Ratio (as defined in the Credit Agreement). The Credit Agreement also contains customary restrictive covenants, including (i) restrictions on the incurrence of additional indebtedness and additional liens on property, (ii) restrictions on permitted acquisitions and other investments and (iii) limitations on asset sales, mergers and acquisitions. Further, the Credit Agreement limits the Company's payment of future dividends and distributions and share repurchases by the Company. Subject to certain exceptions, the borrowings under the Credit Agreement are also subject to mandatory prepayment from (a) any issuances of debt or equity securities, (b) any sale or disposition of assets, (c) insurance and condemnation proceeds, and (d) a percentage of Excess Cash Flow, as defined in the Agreement. The Credit Agreement includes customary events of default.

As of May 5, 2025, the Company had a fully drawn $50.0 million TLA with $50.0 million outstanding, a $100.0 million Revolving Credit Facility with $38.4 million outstanding and $1.6 million in letters of credit issued, and a $50.0 million Delayed Draw Term Loan with no borrowed amounts. The Company's condensed consolidated balance sheet reflects the update in the classification of short-term and long-term notes payable arising out of the Amended and Restated Credit Agreement.

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 above under Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference in this Item 2.03.

ITEM 6. Exhibits

Exhibit Number	Exhibit Description
2.1*‡	Stock Purchase Agreement, dated as of March 3, 2025, by and among Willdan Group, Inc., Willdan Energy Solutions, Inc. and each of the stockholders of APG.
3.1	First Amended and Restated Certificate of Incorporation of Willdan Group, Inc. (incorporated by reference to Willdan Group, Inc.'s Registration Statement on Form S-1, filed with the SEC on August 9, 2006, as amended (File No. 333-136444)).
3.2	Second Amended and Restated Bylaws of Willdan Group, Inc. (incorporated by reference to Exhibit 3.1 to Willdan Group, Inc.'s Current Report on Form 8-K, filed with the SEC on July 12, 2023).
4.1	Specimen Stock Certificate for shares of the Registrant's Common Stock (incorporated by reference to Willdan Group, Inc.'s Registration Statement on Form S-1, filed with the SEC on August 9, 2006, as amended (File No. 333-136444)).
4.2	The Company agrees to furnish to the Securities and Exchange Commission upon request a copy of each instrument with respect to issues of long-term debt of Willdan Group, Inc. and its subsidiaries, the authorized principal amount of which does not exceed 10% of the consolidated assets of Willdan Group, Inc. and its subsidiaries.
10.1*	Amended and Restated Credit Agreement, dated as of May 5, 2025, by and among Willdan Group, Inc., as Borrower, the Guarantors (as defined therein), the Lenders (as defined therein), BMO Bank N.A., as Joint Lead Arranger, Joint Book Runner and Administrative Agent, Bank of America, N.A. as Joint Book Runner and Syndication Agent and J.P. Morgan, N.A., as Joint Lead Arranger, Joint Book Runner and Syndication Agent.
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to § 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to § 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.
‡ Portions of the referenced exhibit have been omitted pursuant to Item 601(b) of Regulation S-K because it (i) is not material and (ii) is the type of information the Company customarily treats as private or confidential.
¥ All schedules and exhibits were omitted pursuant to Item 601(a)(5) of Regulation S-K.
† Indicates a management contract or compensating plan or arrangement

SIGNATURES

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

WILLDAN GROUP, INC.

/s/ CREIGHTON K. EARLY

Creighton K. Early
Chief Financial Officer and Executive Vice President
(Principal Financial Officer, Principal Accounting Officer and duly authorized officer)
May 8, 2025

Exhibit 2.1

EXECUTION VERSION

CERTAIN IDENTIFIED INFORMATION MARKED BY [REDACTED] HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE OF INFORMATION THAT THE COMPANY CUSTOMARILY TREATS AS PRIVATE OR CONFIDENTIAL.

STOCK PURCHASE AGREEMENT

among

WILLDAN ENERGY SOLUTIONS

and

WILLDAN GROUP, INC.

and

[REDACTED],

[REDACTED],

[REDACTED]

and

[REDACTED]

Dated as of March 3, 2025

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STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT (this "Agreement"), dated as of March 3, 2025, is made and entered into by and among Willdan Energy Solutions, a California corporation (the "Purchaser"), a subsidiary of Willdan Group, Inc., a Delaware corporation ("Willdan"), each of the holders of shares identified as such on the signature pages to this Agreement (the "Sellers") of Alternative Power Generation, Inc., an Illinois corporation (the "Company"), and [REDACTED], as Seller Representative (as defined in Section 9.14). The Purchaser, the Sellers and the Seller Representative are sometimes individually referred to herein as a "Party" and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, the Sellers own, in the aggregate, all of the outstanding shares in the Company, consisting of 1,000 shares of common stock, no par value (the "Shares");

WHEREAS, the Purchaser desires to acquire from the Sellers, and the Sellers desire to sell to the Purchaser, all of the Shares, on the terms and subject to the conditions set forth in this Agreement (the "Acquisition"), so that the Purchaser will become the owner of all of the Shares as of the Closing Date (as defined below); and

WHEREAS, the Parties desire to make and agree to certain representations, warranties, covenants and agreements in connection with the Acquisition, as set forth more fully herein.

WHEREAS, the Company is a "S" corporation under the Code.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, and intending to be legally bound hereby, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS; CONSTRUCTION

Section 1.1 Definitions. The following terms, as used herein, have the following meanings:

"Affiliate" of any specified Person means any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person.

"Balance Sheet" has the meaning set forth in Section 3.7.

"Balance Sheet Date" has the meaning set forth in Section 3.7.

"Books and Records" means any books, records, files, research and production records, customer files, customer lists, customer product specifications, customer purchasing histories, distributor files, vendor files, vendor lists, advertising and marketing materials, sales materials, budgets, forecasts, ledgers, journals, reports, technical information, databases, or documents,

information and files of any kind, regardless of whether any of the foregoing are stored or maintained in traditional paper format, by means of electronic, optical or magnetic media or devices, photographic or video images, or any other format or media.

"Business" means the business of the Company in providing data centers, renewable and microgrid partners with design, engineer, construct, install and interconnect progressive, customized electric power solutions.

"Business Day" means any day except Saturday, Sunday or any day on which banks are generally not open for business in the city of Anaheim, California.

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq., any amendments thereto, any successor statutes and any regulations promulgated thereunder.

"Claims Period" means the period during which a claim for indemnification may be asserted hereunder by any Indemnified Party.

"Closing" means the consummation of the transactions contemplated by Article II of this Agreement.

"Closing Date" means the date on which the Closing occurs.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Company Ancillary Documents" means any certificate, agreement, document or other instrument, other than this Agreement, to be executed and delivered by the Company or the Sellers at Closing in connection with the transactions contemplated hereby.

"Company Intellectual Property" means any Intellectual Property that is owned by or licensed to the Company, including the Company Software.

"Company Licensed Software" means all Software (other than Company Proprietary Software) licensed to and used by the Company.

"Company Material Adverse Effect" means any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate, has had a material adverse effect on the assets, Liabilities, properties, operations, Business, or financial condition of the Company, considered as a whole; provided, however, that no facts, circumstances, events, changes, effects or occurrences resulting from, relating to or arising out of the following shall be deemed to be or constitute a Company Material Adverse Effect or shall be taken into account when determining whether there has, may, would or could have occurred a Company Material Adverse Effect: (a) the effect of any change generally affecting the industries in which the Company operates as of the date hereof (including general pricing changes), (b) the effect of any change in the economy or the financial or securities markets in the United States or elsewhere in the world, (c) the effect of any outbreak or escalation of hostilities, declared or undeclared acts of war, sabotage or terrorism, (d) any change in Laws or accounting rules or principles, or (e) the execution and delivery of this Agreement or the announcement and performance hereunder (including any cancellations or delays in contract awards any impact on relationships with customers, subcontractors, suppliers or

employees), except in the cases of clauses (a), (b) or (c), to the extent the effect of any such changes disproportionately and materially impact the operations, Business or financial condition of the Company, considered as a whole, relative to other participants in the industry in which the Company operates.

"Company Proprietary Software" means all Software owned by the Company.

"Company Registered Intellectual Property" means all Registered Intellectual Property owned by or filed in the name of the Company.

"Company Software" means either the Company Licensed Software or the Company Proprietary Software.

"Contract" means any written or oral contract, agreement, arrangement, commitment, license, lease, easement, right of way, guaranty, distribution agreement, product swap agreement, customer contract, sales contract, supply agreement, or any other contract, agreement or arrangement of any kind, including all transferable rights under warranties and guarantees, express or implied, contained therein.

"Control" means, when used with respect to any specified Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. The terms "Controlling" and "Controlled" have correlative meanings.

"Customers" means all of the customers of the Company.

"Damages" means any damage, loss, Liability, assessment, levy, fine, charge, claim, demand, action, suit, proceeding, payment, judgment, settlement, penalty, cost or expense, including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection therewith.

"Deferred Revenue" means consideration received or receivable from a Customer before the performance obligations have been satisfied by the entity, and calculated in a manner consistent with GAAP.

"Disclosure Schedule" means the disclosure schedules delivered by the Sellers in accordance with Article III and Article IV.

"Employment Agreements" means any employment contract, consulting agreement, termination or severance agreement, change of control agreement, non-compete agreement, non-solicitation agreement, or any other agreement or understanding (written or oral) between the Company and one or more other parties respecting the terms and conditions of employment or payment of compensation, or of a consulting or independent contractor relationship, in respect of any current or former officer, employee, consultant or independent contractor who is one of the parties to such agreement.

"Employment Laws" means all Laws in effect at or prior to Closing relating to employees and independent contractors and their employment, or rendition of services, including but not limited to health, labor, labor/management relations, occupational health and safety, pay equity,

equal opportunity, discrimination, immigration, employment standards, benefits, workers' compensation, wages, hours, collective bargaining, and the payment of social security and similar Taxes.

"Environmental Claims" means any complaint, summons, citation, notice, directive, Order, ruling, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter or other communication from any Governmental Entity or any third party involving actual, potential or alleged violations of or liability under Environmental Laws or Releases of Hazardous Substances, and any information request from a Governmental Entity issued pursuant to any Environmental Law.

"Environmental Law" means any Law relating to the regulation or protection of human health, safety or the environment or to emissions, discharges, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes into the environment (including without limitation, ambient air, soil, surface water, ground water, wetlands, land or subsurface strata), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances (including without limitation, CERCLA, RCRA, and rule or regulation promulgated by the United States Occupational Safety and Health Administration and equivalent or similar state, local or foreign law).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and all rules and regulations promulgated thereunder.

"Financial Statements" has the meaning set forth in Section 3.7.

"Foreign Official" means any officer or employee of a foreign government or any department, agency or instrumentality thereof, or of a public international organization, or any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or for or on behalf of any such public international organization, or any political party or official thereof, or any candidate for political or political party office.

"Fraud" means actual and intentional fraud by the Sellers or the Purchaser, as applicable, in making the representations and warranties in Article II, Article III or Article IV of this Agreement (as applicable). For the avoidance of doubt, the definition of "Fraud" in this Agreement is limited to actual and intentional fraud and does not include, and no claim may be made by any Person in relation to this Agreement or the transactions contemplated hereby against any Person other than a Party to this Agreement or for (i) constructive fraud or other claims based on constructive knowledge or (ii) negligent misrepresentation, equitable fraud or any other fraud based claim or theory that requires something less than actual knowledge of the fraudulent conduct and fraudulent intent.

"GAAP" means generally accepted accounting principles as applied in the United States of America as consistently applied by the Company, where the Company's practice do not conflict with GAAP.

"Government Bid" means any bid that if accepted or awarded would result in a contract or agreement with (a) any Governmental Entity, (b) any prime contractor to any Governmental Entity

in its capacity as a prime contractor, or (c) any subcontractor with respect to any contract of the type described in clauses (a) and (b) above.

"Government Contract" means any contract or agreement between the Company and (a) any Governmental Entity, (b) any prime contractor to any Governmental Entity in its capacity as a prime contractor, or (c) any subcontractor with respect to any contract of the type described in clauses (a) and (b) above.

"Governmental Entity" means any federal, state or local or foreign government, any political subdivision thereof or any court, administrative or regulatory agency, department, instrumentality, body or commission or other governmental authority or agency, domestic or foreign.

"Hazardous Substances" means any wastes, substances, radiation, or materials (whether solids, liquids or gases): (a) which are hazardous, toxic, infectious, explosive, radioactive, carcinogenic, or mutagenic pursuant to any Environmental Law; (b) which are or become defined as "pollutants," "contaminants," "hazardous materials," "hazardous wastes," "hazardous substances," "toxic substances," "radioactive materials," "solid wastes," or other similar designations in, or otherwise subject to regulation under, any Environmental Law; (c) the presence of which on, under or emanating from the Leased Real Property would be subject to applicable statutory or common laws; (d) which contain, without limitation, polychlorinated biphenyls (PCBs), mold, methyl-tertiary butyl ether (MTBE), asbestos or asbestos-containing materials, lead-based paints, urea-formaldehyde foam insulation, or petroleum or petroleum products (including crude oil or any fraction thereof); or (e) which have been deemed to pose a hazard to human health, safety, natural resources, employees or the environment under any Environmental Law.

"Holdback Amount**"** has the meaning set forth in Section 2.2(a).

"Indebtedness" means, without duplication, the sum of (a) all obligations of the Company for borrowed money or issued in substitution for or exchange of indebtedness for borrowed money, including intercompany and shareholder indebtedness; (b) other indebtedness of the Company evidenced by notes, bonds, debentures or other debt securities; (c) indebtedness of the types described in clauses (a) and (b) guaranteed, directly or indirectly, in any manner by the Company through an agreement, contingent or otherwise, to supply funds to, or in any other manner invest in, the debtor, or to purchase indebtedness, primarily for the purpose of enabling the debtor to make payment of the indebtedness or to insure the owners of indebtedness against loss; (d) indebtedness for the deferred purchase price of property or services with respect to which the Company is liable, contingently or otherwise, other than ordinary course trade payables; (e) all obligations of the Company as lessee or lessees under capital leases; (f) all payment obligations under any interest rate swap agreements or interest rate hedge agreements to which the Company is party or by which the Company is otherwise bound; (g) any interest owed with respect to the indebtedness referred to above and prepayment premiums or fees related thereto; (h) all obligations under or evidenced by any letter of credit, banker's acceptance, guarantee, surety, bonds (including a performance bond, bid bond or appeal bond) or similar credit transaction or debt security; and (i) any income tax liability associated with the related Deferred Revenue or other cash-to-accrual deferred tax liabilities.

"Indefinite Purchaser Claims" means any claim by the Purchaser under Article VIII hereof for Purchaser Losses arising out of or relating to (a) a breach or inaccuracy of any representation or warranty contained in the first sentence in Section 3.1 (Organization), Section 3.2 (Authorization), Section 3.3 (Shares), Section 4.1 (Authorization), or Section 4.3 (Ownership of Shares), or (b) Fraud.

"Indefinite Seller Claims" means any claim by the Sellers under Article VIII hereof for Seller Losses arising out of or relating to (a) a breach or inaccuracy or any representation and warranty contained in Section 5.1 (Organization) or Section 5.2 (Authorization), or (b) Fraud.

"Intellectual Property" means all intellectual property rights of the Company, including: (a) all United States and foreign patents and applications therefor and all reissues, divisions, renewals, extensions, provisionals, continuations and continuations-in-part thereof; (b) all inventions (whether patentable or not), invention disclosures, improvements, mask works, trade secrets, manufacturing processes, test and qualification processes, designs, drawings, schematics, proprietary information, know-how, technology, technical data and customer lists, and all documentation to the extent embodying any of the foregoing throughout the world; (c) all works of authorship (whether copyrightable or not), copyrights, copyright registrations and applications therefor throughout the world; (d) all industrial designs and any registrations and applications therefor throughout the world; (e) all Software; (f) all internet uniform resource locators, domain names, trade names, logos, slogans, designs, trade dress, common law trademarks and service marks, trademark and service mark and trade dress registrations and applications therefor throughout the world; (g) all databases and data collections and all rights therein throughout the world.

"Interim Balance Sheet" has the meaning set forth in Section 3.7.

"Interim Balance Sheet Date" has the meaning set forth in Section 3.7.

"Interim Financial Statements" has the meaning set forth in Section 3.7.

"IRS" means the United States Internal Revenue Service.

"Knowledge of the Sellers" or "Knowledge" means a prudent Seller would be reasonably likely to discover or otherwise become aware of the fact or matter following reasonable inquiry regarding the accuracy of any representation or warranty contained in this Agreement.

"Laws" means all statutes, rules, codes, regulations, restrictions, ordinances, Orders, rulings (including common law rulings), approvals, or awards issued by any Governmental Entity.

"Leased Real Property" means those parcels of real property or portions thereof of which the Company is the lessee (together with those fixtures or improvements thereon that are included in the terms of the leases therefor).

"Liability" or "Liabilities" means any and all debts, liabilities, commitments, obligations, duties or responsibilities of any kind and description, whether absolute or contingent, accrued or fixed, monetary or non-monetary, direct or indirect, known or unknown, or matured or unmatured, or of any other nature.

"Licenses" means all notifications, licenses, permits, franchises, certificates, approvals, exemptions, classifications, registrations and other similar documents and authorizations issued by any Governmental Entity, and applications therefor.

"Liens" means all mortgages, liens, pledges, security interests, charges, claims, and encumbrances of any nature whatsoever.

"Litigation" means any litigation, legal action, arbitration, mediation, administrative or judicial proceeding, demand, or claim pending or, to the Knowledge of the Sellers, threatened, or, to the Knowledge of the Sellers, any investigation pending or threatened, against, affecting or brought by or against the Company, or any of the Company's (i) assets or properties or (ii) present or former officers, directors, managers, employees or independent contractors, in each case in their capacities as such, in any jurisdiction, foreign or domestic.

"Maximum Earnout" has the meaning set forth in Section 2.5.

"Order" means any order, ruling, decision, verdict, decree, writ, subpoena, mandate, precept, command, directive, consent, approval, award, judgment, injunction, or other similar determination or finding by, before or under the supervision of any Governmental Entity, arbitrator or mediator.

"Ordinary Course" means the ordinary course of business consistent with past practice of the Company.

"Permitted Liens" means (a) Liens for Taxes not yet due and payable or being contested in good faith, (b) Liens of landlords with respect to Leased Real Property, (c) Liens of carriers, warehousemen, mechanics, materialmen and repairmen incurred in the Ordinary Course and not yet delinquent, and (d) in the case of Leased Real Property, in addition to items (a), (b) and (c), zoning, building, or other restrictions, variances, covenants, rights of way, encumbrances, easements and other minor irregularities in title, none of which, individually or in the aggregate, interfere in any material respect with the present use of or occupancy of the affected parcel by the Company.

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

"Purchaser Ancillary Documents" means any certificate, agreement, document or other instrument, other than this Agreement, to be executed and delivered by the Purchaser at Closing in connection with the transactions contemplated hereby.

"Purchaser Indemnified Parties" means the Purchaser and its Affiliates (which following the Closing, shall include the Company) and each of their respective officers and directors, and each of the successors and assigns of any of the foregoing.

"Purchaser Material Adverse Effect" means any fact, circumstance, event, change, effect or occurrence that, individually or in the aggregate, has had or has a material adverse effect on (i) the assets, Liabilities, properties, operations, business or financial condition of the Purchaser or (ii) Purchaser's ability to consummate the transactions contemplated by this Agreement and to

perform its obligations hereunder (including, without limitation, its obligations under Section 2.5 hereof); provided, however, that no facts, circumstances, events, changes, effects or occurrences resulting from, relating to or arising out of the following shall be deemed to be or constitute a Purchaser Material Adverse Effect or shall be taken into account when determining whether there has, may, would or could have occurred a Purchaser Material Adverse Effect: (a) the effect of any change generally affecting the industries in which the Purchaser operate as of the date hereof (including general pricing changes), (b) the effect of any change in the economy or the financial or securities markets in the United States or elsewhere in the world, (c) the effect of any outbreak or escalation of hostilities, declared or undeclared acts of war, sabotage or terrorism, or (d) any change in Laws or accounting rules or principles, except in the cases of clauses (a), (b) or (c), to the extent the effect of any such changes disproportionately and materially impact the operations, business or financial condition of the Purchaser relative to other participants in the industries in which the Purchaser operates.

"RCRA" means the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and any successor statute, and any regulations promulgated thereunder.

"Registered Intellectual Property" means all United States and foreign: (a) patents and patent applications (including provisional applications); (b) registered trademarks and service marks, applications to register trademarks and service marks, registered and applications to register trade dress, intent-to-use trademark or service mark applications, or other registrations or applications for trademarks and service marks and trade dress; (c) registered copyrights and applications for copyright registration; and (d) domain name registrations.

"Release" means the presence, release, spill, emission, leaking, pulping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including the movement of Hazardous Substances through ambient air, soil, surface water, ground water, wetlands, land or subsurface strata, and any exposure to Hazardous Substances.

"Representative" means, with respect to any Person, such Person's equity holders, directors, members, managers, officers, employees, agents, consultants or Persons acting in a similar capacity.

"Section 338(h)(10) Elections" has the meaning specified in Section 6.3(d)(i).

"Seller Indemnified Parties" means the Sellers and any of their respective heirs, executors, members, successors and assigns.

"Senior Creditor" means a syndicate of financial institutions with BMO Harris Bank N.A. as the administrative agent under the Senior Financing Agreement, together with its successors and assigns.

"Senior Event of Default" means an "Event of Default" as defined in the Senior Financing Agreement.

"Senior Financing Agreement" means that certain Credit Agreement dated as September 29, 2023, among Willdan Group, Inc., as the Borrower, Purchaser as a Guarantor, the other guarantors and loan parties thereunder, and a syndicate of BMO Harris Bank N.A., as the

administrative agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Software" means all computer software programs, together with any error corrections, updates, modifications or enhancements thereto, in both machine-readable form and human-readable form.

"SOL Purchaser Claims" means any claim by the Purchaser under Article VIII for Purchaser Losses arising out of or relating to a breach or inaccuracy of any representation or warranty contained in Section 3.9 (Tax Returns; Taxes) or Section 3.15 (Company Employee Benefit Plans).

"Tax" or "Taxes" means all federal, state, local and foreign taxes, assessments, charges, duties, fees, levies and other governmental charges, including income, franchise, stamp, capital stock, real property, personal property, withholding, employment, payroll, social security, social contribution, unemployment compensation, disability, transfer, sales, use, excise, gross receipts, value-added, premium, windfall profits, environmental, customs duty, profits, transaction, registration, alternative or add-on minimum and estimated taxes, composite taxes payable by the Company on behalf of shareholders, and all other taxes of any kind for which the Company has any liability imposed by any Governmental Entity, whether disputed or not, and any associated charges, interest, additions to tax, or penalties imposed by any Governmental Entity.

"Tax Return" means any report, return, declaration or other information return or other document (including schedules or any related or supporting information) required to be supplied to a Governmental Entity or other authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws, regulations or administrative requirements relating to any Tax.

"Transaction Expenses" means any legal, accounting, financial advisory and other third party advisory, brokerage, or consulting fees and other expenses incurred by a Party in connection with the transactions contemplated by this Agreement and other related matters.

"Treasury Regulations" means any regulations promulgated under the Code.

"Vendors" means the top twenty (20) vendors, suppliers, materialmen and other subcontractors of the Company in terms of amounts paid to such Vendors during the Company's fiscal year ended 2024.

"Willdan" means Willdan Group, Inc., a Delaware corporation.

"Willdan Common Stock" means shares of common stock of Willdan Group, Inc., a Delaware corporation (NASDAQ: WLDN), par value $0.01 per share.

"Year 1" has the meaning specified in Section 2.5(b).

"Year 1 EBITDA Target" has the meaning specified in Section 2.5(b).

"Year 2" has the meaning specified in Section 2.5(b).

"Year 2 EBITDA Target" has the meaning specified in Section 2.5(c).

"Year 3" has the meaning specified in Section 2.5(c).

"Year 3 EBITDA Target" has the meaning specified in Section 2.5(d).

"Year-End Financial Statements" has the meaning specified in Section 3.7.

Section 1.2 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement will be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring any Party because of the authorship of any provision of this Agreement. Unless the context of this Agreement otherwise clearly requires, (a) references to the plural include the singular, and references to the singular include the plural, (b) references to one gender include the other gender and neuter, (c) the words "include," "includes" and "including" do not limit the preceding terms or words and shall be deemed to be followed by the words "without limitation," (d) the word "or" is not exclusive, (e) the terms "hereof," "herein," "hereunder," "hereto" and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement, (f) unless otherwise specified, the terms "day" and "days" mean and refer to calendar day(s), and (g) unless otherwise specified, the terms "year" and "years" mean and refer to calendar year(s). Unless otherwise set forth herein, references in this Agreement to (i) any document, instrument or agreement (including this Agreement) (A) include and incorporate all exhibits, schedules and other attachments thereto, (B) include all documents, instruments or agreements issued or executed in replacement thereof, and (C) mean such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified or supplemented from time to time in accordance with its terms and in effect at any given time; and (ii) a particular Law means such Law as amended, modified, supplemented or succeeded, from time to time and in effect at any given time at or prior to the Closing Date. All Article, Section, Exhibit and Schedule references herein are to Articles, Sections, Exhibits and Schedules of this Agreement, unless otherwise specified.

Section 1.3 Other Definitions. Each of the following terms is defined in the Section set forth opposite such term below:

Term	Section
Accountants	2.4(d)
Acquisition	Recitals
Agreement	Preamble
Causes of Action	6.5(a)
Certificates	2.3(a)
Claim Notice	8.3(a)
Closing TNAV	2.4(a)
COBRA	3.15(q)
Company	Preamble
Company Contracts	3.14(a)
Continuing Employee	6.6
Deductible	8.5
Direct Claim	8.3(a)
Dispute Period	8.3(b)
Earn-Out Disagreement	2.5(g)

Earn-Out Financial Statement 2.5(e)
Earn-Out Payment 2.5(a)
Earn-Out Period 2.5(a)
Earn-Out Resolution Discussions 2.5(i)
EBITDA 2.5(a)
Employee Benefit Plans 3.15(a)
ERISA Affiliate 3.15(a)
ERISA Plans 3.15(a)
Final Statement 2.4(b)
Final Statement Disagreement 2.4(c)
Indemnification Cap 8.5
Indemnification Claims 8.3(a)
Indemnified Party 8.3
Indemnifying Party 8.3
Initial Purchase Price 2.2(a)
Initial Purchase Price Adjustment 2.4(a)
Leases 3.5(a)
Licensed Professionals 3.13(a)
Parties Preamble
Party Preamble
Post-Closing Tax Period 3.9(e)
Pre-Closing Tax Period 3.9(e)
Proceeding 8.3(a)
Purchase Price 2.2(b)
Purchaser Preamble
Purchaser Losses 8.1
Purchaser Plan 6.6(b)
Released Parties 6.5(a)
Releasing Parties 6.5(a)
Seller Preamble
Seller Agreements 7.2(d)
Seller Losses 8.2
Seller Representative 9.14
Settlement 8.3(b)
Shares Recitals
Straddle Period 6.3(b)
Target TNAV 2.4(a)
Third Party Claim 8.3(a)
Transfer Taxes 6.3(d)

ARTICLE II
PURCHASE AND SALE

Section 2.1 Agreement to Purchase and Sell. Subject to the terms and conditions of this Agreement, each Seller hereby sells, transfers and delivers to the Purchaser, and the Purchaser

hereby purchases and acquires from each Seller, free and clear of all Liens, all of the Shares owned by such Seller.

Section 2.2 Consideration.

(a) The aggregate cash amount to be paid by the Purchaser for the Shares at Closing shall be $19,500,000 less (i) $1,000,000 (the "Holdback Amount"), (ii) plus 176,524 of shares of Willdan Common Stock bearing a two-year trading restriction (the "Initial Purchase Price"). The Purchaser shall pay the cash amount of the Initial Purchase Price, to each of the Sellers in cash, via 4 wire transfers of immediately available funds, in accordance with Section 2.2(b). The Purchaser shall also pay the stock consideration of the Initial Purchase Price, to each of the Sellers via their designated stock brokerage accounts in accordance with Section 2.2(b). The Holdback Amount under Section 2.2(a) shall be paid to Sellers, or retained by Purchaser, when, as and to the extent provided in accordance with Section 2.4(a).

(b) The Initial Purchase Price due the Sellers and the Earn-Out Payment (as defined in Section 2.5) will be allocated among the Sellers in accordance with their ownership percentages of the Shares. The Initial Purchase Price is subject to adjustment pursuant to Section 2.4, and any such adjustment shall be allocated among the Sellers in accordance with their ownership percentages of the Shares. The Initial Purchase Price, as adjusted, and the Earn-Out Payments due hereunder, will constitute the "Purchase Price" for purposes of this Agreement.

Section 2.3 Delivery of Certificates Evidencing Shares.

(a) At the Closing, each Seller shall deliver to the Purchaser (i) any and all certificates (the "Certificates") evidencing the Shares, and (ii) corresponding transfer instruments, in form and substance reasonably satisfactory to the Purchaser, executed for transfer. If any Certificate shall have been lost, stolen or destroyed, that Seller shall provide an affidavit of lost certificate, in form and substance reasonably satisfactory to the Purchaser, with respect to such Certificate.

(b) The Initial Purchase Price paid upon the Closing and surrender of Certificates in accordance with the terms of this Article II shall be deemed to have been exchanged and paid in full satisfaction of all rights pertaining to the Shares represented by such Certificates.

(c) At Closing, each Seller shall provide to Purchaser a completed W-9 Form.

Section 2.4 Adjustment to Initial Purchase Price.

(a) The Initial Purchase Price shall be adjusted upward or downward on a dollar-for-dollar basis (the "Initial Purchase Price Adjustment") to the extent that, as of the close of business on the Closing Date, the Company's tangible net asset value (the "Closing TNAV"), calculated as set forth below, is more or less than [REDACTED] (the "Target TNAV").

(i) The Initial Purchase Price Adjustment will be determined by (A) preparing a Closing Date balance sheet that is mutually agreed to by the Parties,

(B) calculating the difference between the Closing TNAV and the Target TNAV, and (C) making payment of the difference to the appropriate party.

(ii) The Closing TNAV will be calculated as (A) the Company's total tangible assets, including cash, as further described in subparagraph (b) below, less (B) the Company's total tangible liabilities (including all Transaction Expenses incurred by the Company and/or the Sellers and to be paid by the Company that have not been paid prior to Closing), and less (C) the Company's Indebtedness and any Deferred Revenue, accrued payroll and other liabilities and accounts payable to vendors, suppliers and subcontractors. For clarification, the Closing TNAV will be calculated from Seller's accounting system on the accrual basis in accordance with GAAP, and shall include any work in progress, deferred Taxes arising from the change from cash to accrual tax accounting and accrued vacation, holiday, and sick time, as well as a pro rata portion of the expected year-end bonus expense for all employees and any accrued liability for incentive bonuses. The calculation of Closing TNAV shall be consistent with the example set forth on Exhibit B.

(b) Not later than sixty (60) days after the Closing Date, the amount of the Closing TNAV shall be determined and set forth in a statement to be prepared by the Purchaser (the "Final Statement"). The Final Statement shall be prepared from Company's accounting system on the accrual basis in accordance with GAAP, and the Company's TNAV as of the Closing Date calculated as described in subparagraph (a)(ii) above and consistent with the example set forth on Exhibit B. The Parties agree that the obligation to pay the Purchase Price (or any portion thereof) will be accounted for on the Purchaser's books and records and, accordingly, will not be considered a liability of the Company for purposes of calculating TNAV. Purchaser shall have full access to the Company's books and records for purposes of preparing the Final Statement.

(c) The Purchaser shall cause the Final Statement to be delivered to the Seller Representative for review by the Sellers and their accountants. The Final Statement shall be final and binding upon the Parties for all purposes, unless the Seller Representative shall notify the Purchaser in writing, not later than thirty (30) days from the Seller Representative's receipt of the Final Statement, of a disagreement with the amounts reflected in the Final Statement (the "Final Statement Disagreement"), in which event the provisions of subparagraph (d) below shall apply. Such notice shall specify all items as to which there is disagreement, including the amount, and provide an explanation of the basis for such disagreement. During the 30-day review period, the Seller Representative shall have full access to the Company's books and records, and the Purchaser shall make available to the Seller Representative, at reasonable times and upon reasonable notice, the employees, representatives and agents of the Purchaser who prepared, or assisted in the preparation of, the Final Statement. The failure of the Seller Representative to timely notify the Purchaser in writing of the existence of a Final Statement Disagreement shall be deemed, for all purposes, the Seller Representative's acceptance of the Final Statement.

(d) In the event and to the extent that the Seller Representative shall timely notify the Purchaser in writing, as provided in subparagraph (c) above, of a Final Statement Disagreement, the Parties shall attempt, in good faith, to resolve such disagreement. In the

event the Parties are unable to resolve such Final Statement Disagreement within ten (10) Business Days from the date of receipt by the Purchaser of notice from the Seller Representative of the Final Statement Disagreement, each of the Purchaser and the Seller Representative shall, within ten (10) Business Days, submit to representatives of a mutually agreed CPA firm (the "Accountants") its or his proposal concerning what the amount of Closing TNAV should be, together with all relevant financial data, and the Final Statement Disagreement shall be submitted for final and binding arbitration and resolution by the Accountants. In resolving the Final Statement Disagreement, the Accountants shall only consider those items or amounts in the Final Statement as to which the Parties disagree. After completing their review of the Final Statement Disagreement, the Accountants shall resolve each item in dispute and confirm their conclusion (and the resulting amounts) in writing to the Seller Representative and the Purchaser. The Parties shall instruct the Accountants to deliver their written conclusion to the Purchaser and the Seller Representative no later than thirty (30) days following the conclusion of the presentation of the Purchaser's and the Seller Representative's respective proposals to the Accountants. The decision of the Accountants regarding such adjustment shall be final and binding upon the Parties for all purposes and enforceable in any court of competent jurisdiction. The fees and costs of the Accountants, if any, in connection with such arbitration shall be shared by the Sellers and the Purchaser in inverse proportion to the amounts in dispute determined to be for the account of the Sellers and the Purchaser, respectively.

(e) In the event the Closing TNAV is finally determined to equal or exceed the Target TNAV, the excess and the remaining balance of the Holdback Amount shall be paid to the Sellers in accordance with Section 2.2(b). In the event the Closing TNAV is finally determined to be less than the Target TNAV, the Purchaser shall be entitled to retain a portion of the Holdback Amount equal to the amount by which the Closing TNAV is finally determined to be less than the Target TNAV and within five Business Days of acceptance of the final determination of the Closing TNAV the Seller Representative shall collect the amount of any deficiency in excess of the Holdback Amount from the Sellers and pay to the Purchaser the full amount of such deficiency in cash. Any payment required by this subparagraph (e) shall be made within ten (10) days after the determination that there is no dispute among the Parties with respect to the Final Statement if there is no such dispute, or ten (10) days after the resolution of any such dispute (by arbitration or otherwise) pursuant to subparagraph (d) hereof.

Section 2.5 Earn-Out Consideration. In addition to the Initial Purchase Price, the Sellers may receive additional consideration of up to $18,000,000 (the "Maximum Earnout") payable in cash, over a three-year earn-out period following the Closing Date (the "Earn-Out"). The Earn-Out, described below, will be paid in accordance with the following terms (it is being understood that the aggregate of all Earn-Out payments paid to Sellers pursuant to this Agreement shall not exceed the Maximum Earnout under any circumstances):

(a) With respect to the period of the first thirty-six months of operations as a unit or subsidiary of the Purchaser (the "Earn-Out Period"), the Purchaser will make an earn-out payment based upon the Company's earnings before interest, taxes, depreciation and amortization ("EBITDA") during the first, second and third twelve-month period

comprising the Earn-Out Period (the "Earn-Out Payment). For purposes of determining the Earn-Out, EBITDA for any twelve-month period is defined as earnings from operations of the Company during such twelve-month period determined in accordance with GAAP as adjusted for interest, income taxes, depreciation and amortization allocable to such twelve-month period in accordance with GAAP. The calculation of the Company's EBITDA will include [REDACTED].

(b) If the Company generates EBITDA of or exceeding [REDACTED] (the "Year 1 EBITDA Target") during the twelve-month period beginning on the Closing Date and ending on the day prior to the first anniversary of the Closing Date (such period, "Year 1"), the Purchaser will make an Earn-Out Payment of [REDACTED]. For EBITDA of less than [REDACTED] but more than [REDACTED] for Year 1, the amount of the Earn-Out Payment required to be paid in respect of year 1 will be pro rated based upon [REDACTED]. No Earn-Out Payment is payable for Year 1 if the Company's EBITDA is less than [REDACTED]. The Earn-Out Payment is to be paid in cash to the Seller Representative for distribution to the Sellers under Section 2.2(b) within eighty-five (85) days after the first anniversary of the Closing Date, or ten (10) days after the resolution of an Earn-Out Disagreement. If the maximum Earn-Out Payment of $[REDACTED] is not fully achieved in Year 1, the balance not earned shall be carried over into the twelve-month period beginning on the first anniversary of the Closing Date and ending on the day prior to the second anniversary of the Closing Date (such period, "Year 2") as an addition to the maximum $[REDACTED] Earn-Out Payment potentially earned in respect of Year 2. Additionally, if the Company's EBITDA for Year 1 exceeds or falls short of the Year 1 EBITDA Target, the excess shall be carried over into Year 2 as a credit or the shortfall shall be carried into Year 2 as a debit, to the Company's EBITDA for Year 2.

Year 1 Example #1: [REDACTED].

Year 1 Example #2: [REDACTED].

(c) If the Company generates EBITDA (adjusted to reflect any amount carried over from Year 1 as a credit or debit) of or exceeding [REDACTED] (the "Year 2 EBITDA Target") during Year 2, the Purchaser will make an Earn-Out Payment of $[REDACTED] plus any carry over from Year 1 added to the maximum Earn-Out Payment for Year 2 as described in (b) above. For EBITDA (adjusted to reflect any amount carried over from Year 1 as a credit or debit) of less than $[REDACTED] but more than $[REDACTED] for Year 2, the Earn-Out Payment will be pro rated based upon the quotient of (i) the amount by which the Company's EBITDA for Year 2 exceeds $[REDACTED], divided by (ii) $[REDACTED] plus the Earn-Out Tax Gross Up. No Earn-Out Payment is payable for Year 2 if the Company's EBITDA for Year 2 is less than [REDACTED]. The Earn-Out Payment is to be paid in cash to the Seller Representative for distribution to the Sellers under Section 2.2(b) within eighty-five (85) days after the second anniversary of the Closing Date, or ten (10) days after the resolution of an Earn-Out Disagreement. If the maximum Earn-Out Payment is not fully achieved in Year 2 (which maximum shall be $[REDACTED] plus any portion of the Earn-Out not fully achieved in Year 1 that has been carried over into Year 2), the balance shall be carried over as an addition to the maximum $[REDACTED] Earn-Out Payment potentially earned

in respect of the twelve-month period beginning on the second anniversary of the Closing Date and ending on the day prior to the third anniversary of the Closing Date (such period, "Year 3"). Additionally, if the Company's EBITDA for Year 2 (adjusted to reflect any amount carried over from Year 1 as a credit or debit) exceeds or falls short of the Year 2 EBITDA Target, the excess shall be carried over into Year 3 as a credit or the shortfall shall be carried into Year 3 as a debit, to the Company's EBITDA for Year 3[REDACTED].

Year 2 Example #1: [REDACTED].

Year 2 Example #2: [REDACTED].

(d) If the Company generates EBITDA (adjusted to reflect any amount carried over from Year 2 as a credit or debit) of or exceeding $[REDACTED] (the "Year 3 EBITDA Target") during Year 3, the Purchaser will make an Earn-Out Payment of $[REDACTED] plus any carry over from Year 2 as described in (c) above. For EBITDA (adjusted to reflect any amount carried over from Year 2 as a credit or debit) of less than $[REDACTED] but more than $[REDACTED], the Earn-Out Payment will be pro rated based upon the quotient of (i) the amount by which the Company's EBITDA for Year 3 exceeds $[REDACTED], divided by (ii) $[REDACTED]. No Earn-Out Payment is payable if the Company's EBITDA (adjusted to reflect any amount carried over from Year 2 as a credit or debit) is less than $[REDACTED] for Year 3. The Earn-Out Payment is to be paid in cash to the Seller Representative for distribution to the Sellers under Sections 2.2(b) within eighty-five (85) days after the third anniversary of the Closing Date, or ten (10) days after the resolution of an Earn-Out Disagreement.

Year 3 Example 1: [REDACTED].

(e) The financial statement showing the Company's EBITDA for each year of the Earn-Out Period (the "Earn-Out Financial Statement") shall be prepared by the Purchaser in accordance with GAAP and delivered to the Seller Representative no later than forty-five (45) days following the end of each year of the Earn-Out Period. Unless there is a disagreement with the Earn-Out Financial Statement (an "Earn-Out Disagreement") (which shall be resolved in accordance with subparagraph (h) below), the Purchaser shall, within ten (10) days following the acceptance or deemed acceptance by the Seller Representative of the Earn-Out Financial Statement, pay the appropriate Earn-Out Payment to the Seller Representative in cash via wire transfer of immediately available funds for appropriate distribution under Sections 2.2(b). If there is an Earn-Out Disagreement, the amount of the Earn-Out Payment not in dispute shall be paid pursuant to the immediately preceding sentence.

(f) The Earn-Out Financial Statement shall be final and binding upon the parties hereto unless the Seller Representative notify the Purchaser in writing, not later than thirty (30) days from the Seller Representative's receipt of the Earn-Out Financial Statement, of an Earn-Out Disagreement. Such notice of Earn-Out Disagreement shall specify all items as to which there is an Earn-Out Disagreement, including the amount,

and provide an explanation of the basis for such Earn-Out Disagreement; provided, however, that the Seller Representative shall not be precluded from raising additional points of disagreement or providing additional explanations in the subsequent discussions and arbitration discussed in subparagraph (i) below. The Seller Representative's failure to timely notify the Purchaser in writing of the existence of an Earn-Out Disagreement shall be deemed, for all purposes, to be the Seller Representative's acceptance of the Earn-Out Financial Statement.

(g) In the event and to the extent that the Seller Representative shall timely notify the Purchaser in writing, as provided in subparagraph (g) above, of an Earn-Out Disagreement, the Parties hereto shall attempt, in good faith, to resolve such Earn-Out Disagreement ("Earn-Out Resolution Discussions"). In the event that the Parties are unable to resolve such Earn-Out Disagreement within twenty (20) Business Days after the date of receipt by the Purchaser of notice from the Seller Representative of the Earn-Out Disagreement, the Purchaser and the Seller Representative shall, within ten (10) Business Days, submit to the Accountants its or his proposal to settle the Earn-Out Disagreement. Further, the Parties shall submit to the Accountants all relevant financial data, and the Earn-Out Disagreement shall be submitted for final and binding arbitration and resolution by the Accountants. In resolving the Earn-Out Disagreement, the Accountants shall only consider those items or amounts in the Earn-Out Financial Statement as to which the Parties have continued to disagree after the Earn-Out Resolution Discussions. After completing their review of the Earn-Out Disagreement, the Accountants shall resolve each item in dispute and confirm their conclusion in writing to the Seller Representative and the Purchaser. The Parties shall instruct the Accountants to deliver their written conclusion to the Purchaser and the Seller Representative no later than thirty (30) days following the conclusion of the presentation of the Purchaser's and the Seller Representative's respective proposals on the Earn-Out Disagreement to the Accountants. The decision of the Accountants shall be final and binding upon the parties hereto for all purposes and enforceable in any court of competent jurisdiction. Within ten (10) days following the decision of the Accountants, the Purchaser shall make the required payment in cash to the Seller Representative for appropriate distribution, via wire transfer of immediately available funds. The fees and costs of the Accountants, if any, in connection with such arbitration shall be shared by the Purchaser and the Sellers in inverse proportion to the amounts of the disputed EBITDA amount determined to be for the account of the Sellers and the Purchaser, respectively.

(h) The Purchaser will make the work papers and back-up materials used in preparing the Earn-Out Financial Statements, and the books, records and financial staff of the Purchaser and the Company, available to the Seller Representative and his accountants and other representatives at reasonable times and upon reasonable notice at any time during (A) the preparation by the Purchaser of the Earn-Out Financial Statement, (B) the review by the Seller Representative of the Earn-Out Financial Statement, and (C) the resolution by the Parties of any objections thereto.

(i) Until the expiration of the Earn-Out Period, except as consented to in writing by the Seller Representative, the Purchaser shall:

(i) conduct the operations of the Company in the usual and Ordinary Course to the extent such conduct is in compliance with the Purchaser's operating policies (copies of which have been provided to Seller Representative) and take no action intended to, or that would knowingly result in a reduction in EBITDA below that which would have been achieved if such action had not been taken;

(ii) use best efforts to maintain the relations and good will with suppliers, customers, landlords, creditors, employees, agents and others having business relationships with Company as of the Closing Date and during the Earn-Out Period;

(iii) maintain a financial reporting system that will separately account for EBITDA, and allow Seller Representative reasonable access to such system from time to time during the Earn-Out Period;

(iv) make reasonable commercial efforts to ensure that the Company maintains the services of any technical and management employees who are essential to perform any then current Contracts of the Company;

(v) not terminate, transfer, assign or novate to any Person any then current Contracts of the Company or those executed within the Earn-Out Period without first mutually agreeing to make a pro-rata adjustment of the Earn-Out targets;

(vi) regularly consult with and consider in good faith the recommendations and requests of the Seller Representative regarding management of then current projects, and bidding on new projects proposed to be undertaken by the Company;

(vii) consult with and consider in good faith the recommendations and requests of the Seller Representative regarding the budget for the Company during the Earn-Out Period;

(viii) consult with and consider in good faith the recommendations and requests of the Seller Representative regarding employees' salaries and bonuses and office openings and closures; and

(ix) provide as appropriate in the then current circumstances reasonable support to the Company as may be reasonably requested by the Seller Representative from time to time, in the Ordinary Course, including, without limitation, working capital, technical support, equipment, office space, supplies and assistance with recruiting and other corporate functions; provided, however, that any direct costs mutually agreed to be borne by the Purchaser solely for the benefit of the Company will be accrued for purposes of determining the Earn-Out Payment.

(j) Notwithstanding anything to the contrary in this Agreement, Purchaser shall not be obligated to pay any portion of the Earn-Out Payment on the date of such payment is otherwise due hereunder if and to the extent that the payment of such amount would result in a Senior Event of Default or a Senior Event of Default exists at the time of such

contemplated payment.. Purchaser shall pay any amount which is deferred under this section as soon as the restrictions set forth in the preceding sentence no longer apply. Sellers acknowledge and agree that any failure by Purchaser to pay all or any portion of the Earn-Out Payment on the date otherwise due hereunder by virtue of this section shall not constitute a default under or a breach of this Agreement for any reason provided, however, that any portion of the Earn-Out Payment that is deferred pursuant to this Section 2.5(j) shall bear interest at a per annum rate of 10%, compounded quarterly from the date of the deferral until paid in full. . The Senior Creditor shall be an express third-party beneficiary with respect to this section.

(k) The Earn-Out Payment shall not be dependent on the Sellers, or any of them remaining in the employ of the Company.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE SELLERS RELATING TO THE COMPANY

The Sellers hereby represent and warrant to the Purchaser, jointly and severally, as of the date hereof, that, except as set forth in the Disclosure Schedule:

Section 3.1 Organization. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois. The Company has all requisite corporate power and authority to own, lease and operate its properties and to carry on its Business as currently conducted. The Company is duly qualified to transact business as a foreign entity and is in good standing in each other jurisdiction in which the ownership or leasing of its properties or assets or the conduct of its Business requires such qualification except where the failure to qualify would not, individually or in the aggregate, have a Company Material Adverse Effect. A list of the jurisdictions in which the Company is qualified to conduct its Business is set forth in Schedule 3.1. The Sellers have previously made available to the Purchaser complete copies of the Company's articles of incorporation and bylaws, each as amended to date.

Section 3.2 Authorization. The Company has all necessary corporate power and authority to execute and deliver the Company Ancillary Documents to which it is a party and to perform its obligations thereunder and to consummate the transactions contemplated thereby. The execution, delivery and performance by the Company of the Company Ancillary Documents to which it is a party and the consummation of the transactions contemplated thereby have been duly authorized and approved by all necessary corporate action. When each of the agreements that are Company Ancillary Documents to which the Company is a party have been duly executed and delivered by the Company, and assuming due authorization, execution and delivery thereof by the other parties thereto, each such agreement will constitute the valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as such enforceability (a) may be limited by bankruptcy, insolvency, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally, and (b) is subject to general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

Section 3.3 Shares. The Shares owned by the Sellers constitute all of the outstanding Shares of the Company. Schedule 3.3 accurately and completely sets forth the number of all Shares of the Company that are authorized and outstanding, and the holder thereof. Except as set forth in Schedule 3.3, (a) there are no outstanding options, warrants, rights, calls, conversion rights, rights of exchange, subscriptions, or convertible or exchangeable securities relating to the Shares; (b) there are no distributions that have accrued but are unpaid on the Shares or other equity interests of the Company; (c) there are no outstanding Contracts of the Company or any Seller to purchase or otherwise acquire any outstanding Shares or other equity interests of the Company, or securities or obligations of any kind convertible into any Shares or other equity interests of the Company; and (d) there are no Contracts between any Seller and any other Person relating to the management of the Company or any equity interest of the Company.

Section 3.4 Absence of Restrictions and Conflicts.

(a) Except as set forth on Schedule 3.4(a), the consummation of the Acquisition and the other transactions contemplated by this Agreement and the Company Ancillary Documents does not and will not, (i) conflict with or violate the Company's articles of incorporation or bylaws, each as amended to date, (ii) conflict with or violate any Law applicable to the Company, or by which any property or asset of the Company is bound, or (iii) require any consent which has not been previously obtained or result in any violation or breach of or constitute (with or without notice or lapse of time or both) a default (or give to others any right of termination, amendment, acceleration or cancellation) under, or result in the triggering of any payments or result in the creation of any Lien or other encumbrance on any property or asset of the Company, in all cases, pursuant to any of the terms, conditions or provisions of any Contract to which the Company is a party, except with respect to clauses (ii) and (iii) for any such conflicts, violations, breaches, defaults or other occurrences that would not, individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect.

(b) Except as set forth on Schedule 3.4(b), the execution and delivery by the Company of the Company Ancillary Documents to which it is a party does not, and the performance of its obligations thereunder will not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Entity, except where such consent, approval, authorization or permit has been previously obtained, such filing or notification has been previously made, or where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not, individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect.

Section 3.5 Real Property.

(a) Schedule 3.5(a) correctly identifies all Leased Real Property, and the Sellers have delivered, or caused to be delivered, to the Purchaser all leases, agreements and subleases, and any amendments thereto, with respect to such Leased Real Property (the "Leases"). The Leases are in full force and effect, and there are no existing material defaults or any events that with the passage of time or the giving of notice, or both, would constitute an event of default by the Company under any Lease to which it is a party, or, to the Knowledge of the Sellers, by any other party to any Lease. Except as described in

Schedule 3.5(a), no consent, waiver, approval or authorization that has not been previously obtained is required from the landlord or lessee under any Lease as a result of the execution of this Agreement or the consummation of the transactions contemplated hereby.

(b) Schedule 3.5(b) correctly identifies all real property owned by the Company including any liens or other contingent liabilities attached thereto. The real property value is equal to or greater than it's carrying value on the Company's financial statements.(c) With respect to each piece of Leased Real Property, the Company, as applicable, has a good and valid leasehold interest, and, to the Knowledge of the Sellers, each such leasehold interest is free and clear of any Lien except for Permitted Liens, except as set forth on Schedule 3.5(c). To the Knowledge of the Sellers, there are no pending or threatened condemnation proceedings, lawsuits or administrative actions relating to the Leased Real Property. Other than the Company, as applicable, to the Knowledge of the Sellers, there are no parties in possession or parties having any rights to occupy any of the Leased Real Property that is leased by the Company.

(d) Each piece of Leased Real Property is adequate and suitable in all material respects for the purposes for which it is currently being used. To the Knowledge of the Sellers, the Company has reasonably adequate rights of ingress and egress with respect to all Leased Real Property and the improvements thereon pursuant to public streets and roads or by good, marketable and insurable appurtenant easements.

(e) The Company does not owe any brokerage commission with respect to any Leased Real Property.

(f) The Leased Real Property constitutes all of the real property utilized by the Company in the operation of its Business and is sufficient for the Company to operate the Business as currently conducted.

Section 3.6 Title to Assets; Related Matters. Except as set forth in Schedule 3.6, the Company has good and valid title to all of its properties and assets, free and clear of all Liens, except Permitted Liens. All material equipment and other material items of tangible personal property and assets of the Company (a) are in good operating condition and capable being used for their intended purposes, ordinary wear and tear excepted, and (b) are usable in the Ordinary Course. There has not been any significant interruption of operations of the Business due to, or notice from any Governmental Entity with respect to, inadequate maintenance by the Company of any tangible personal property and assets. Except as disclosed in Schedule 3.6 or incurred in the Ordinary Course, the Company has not sold, transferred or disposed of any material assets. The assets and properties of the Company constitute all of the material assets, services, properties, goodwill and rights (including Company Intellectual Property rights) used in the business of the Company as currently conducted. All of the Business assets and properties located at the Leased Real Property are owned or validly leased by the Company, as applicable. No asset or property used in, or held for use in, the Business is leased from or owned by any Seller or an Affiliate of any Seller (other than the Company).

Section 3.7 Financial Statements. Complete copies of the Company's unaudited financial statements consisting of the balance sheet of the Company at December 31st, 2024 and the related statements of income and retained earnings, stockholders' equity and cash flow for the year then ended (the "Year-End Financial Statements") are attached as Schedule 3.7, and unaudited financial statements consisting of the balance sheet of the Company as at January 31, 2025 and the related statement of income for the one month period then ended (the "Interim Financial Statements") and together with the Year-End Financial Statements, (the "Financial Statements") are included in the Disclosure Schedule and have been delivered to the Purchaser. The Financial Statements are based on the books and records of the Company, and fairly present the financial condition of the Company as of the respective dates they were prepared and the results of the operations of the Company for the periods indicated. The balance sheet of the Company as of December 31, 2024 is referred to herein as the "Balance Sheet" and the date thereof as the "Balance Sheet Date" and the balance sheet of the Company as of January 31, 2025 is referred to herein as the "Interim Balance Sheet" and the date thereof as the "Interim Balance Sheet Date". [REDACTED].

Section 3.8 Accounts Receivable. All billed and unbilled accounts receivable of the Company (a) arose in the Ordinary Course, (b) except as provided in the associated allowance for doubtful accounts on the Final Statement, are valid, existing and, collectible without resort to legal proceedings or collection agencies, and (c) except as set forth on Schedule 3.8, are not subject to any refund or adjustment or, any defense, right of set-off, assignment, restriction, security interest or other lien. Except as set forth on Schedule 3.8, no third party has initiated or, to the Knowledge of the Sellers, threatened in writing to initiate, a dispute regarding the collectability of any accounts receivable. All billed and unbilled accounts receivable reflected in the Final Statement, net of the associated allowance for doubtful accounts, are fully collectible within one hundred eighty (180) days after the date hereof and payable at their face amounts. The Company has never factored any of its respective accounts receivable. No account receivable set forth on Schedule 3.8 is with a party with whom the Company has had or settled a dispute regarding the collection of any past account receivable.

Section 3.9 Tax Returns; Taxes.

(a) The Company has timely filed with all appropriate Governmental Entities all income and other Tax Returns required to be filed prior to the Closing Date by it in respect of all applicable Taxes of the Company. All such Tax Returns are correct and complete in all material respects and were prepared in compliance in all material respects with applicable Law. All Taxes due pursuant thereto (whether or not shown as due on any Tax Return) were paid when due.

(b) To the Knowledge of the Sellers, no written claim has ever been made by a Governmental Entity in a jurisdiction in which the Company does not file Tax Returns that the Company is or may be subject to taxation by that jurisdiction.

(c) There are no Liens (other than Permitted Liens) on any of the assets of the Company that arose in connection with any failure (or alleged failure) to pay any Tax.

(d) Except as set forth in Schedule 3.9(d), the Company has collected and withheld all Taxes that they have been required to collect or withhold and have timely submitted all such collected and withheld Taxes to the appropriate authorities. The Company has complied in all material respects and is in compliance in all material respects with all applicable Laws relating to the payment, withholding and information reporting requirements relating to any Taxes required to be collected or withheld. All individuals paid by the Company for providing services to the Company have been properly classified as either employees or independent contractors in accordance with the Code and applicable Tax laws.

(e) Except as set forth in Schedule 3.9(e), the Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any period beginning after the Closing Date (each, a "Post-Closing Tax Period") as a result of any (i) change in accounting method for any period ending on or prior to the Closing Date (each, a "Pre-Closing Tax Period") under Section 481 of the Code (or any analogous or comparable provision of United States, state or local or non-United States Tax law) other than as a result of the transactions contemplated hereunder, (ii) written agreement with a Tax authority with regard to the Tax liability of the Company for any Pre-Closing Tax Period, (iii) deferred intercompany gain described in United States Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or non-United States Tax law) arising from any transaction that occurred prior to the Closing Date or prior to the Closing on the Closing Date, (iv) installment sale or open transaction disposition made prior to the Closing Date or prior to the Closing on the Closing Date, or (v) prepaid amount received on or prior to the Closing Date.

(f) To the Knowledge of the Sellers, there is no notice from any Governmental Entity with respect to the assessment of any additional Taxes of the Company for any period for which Tax Returns have been or will be filed. To the Knowledge of the Sellers, there is no Litigation between the Company and any governmental Entity concerning any Liability for Taxes of the Company. No Tax audits or other administrative proceedings are presently pending or, to the Knowledge of the Sellers, threatened with respect to any Taxes for which the Company has been or could be liable.

(g) The Company has made available to the Purchaser true, correct and complete copies of all federal, state, local and foreign Tax Returns and all written communications from or to the IRS or other Governmental Entity in the Company's custody, possession or control and relating to any such Tax Returns, examination reports and statements of deficiencies filed, assessed against or agreed to by the Company since December 31, 2021.

(h) The Company has not executed or entered into with any taxing authority (i) any agreement, waiver or other document extending or having the effect of extending or waiving the period for assessments or collection of any Taxes for which the Company would or could be liable, (ii) any closing agreement pursuant to Section 7121 of the Code, or any predecessor provision thereof or any similar provision of state, local or foreign Tax law that relates to the assets or operation of the Company, or (iii) any power of attorney with respect to any Tax matter that is currently in force.

(i) Except as set forth in Schedule 3.9(i), no Tax assessment or deficiency which has not been paid, or for which an adequate reserve has not been set aside, has been made or proposed in writing against the Company, nor are any of the Tax Returns now being or, to the Knowledge of the Sellers, threatened to be audited. All Tax deficiencies determined as a result of any completed audit have been satisfied. The Company has delivered or otherwise made available to the Purchaser complete copies of all audit reports and statements of deficiencies with respect to any Tax assessed against or agreed to by the Company for the three most recent taxable periods for which such audit reports and statements of deficiencies have been received by the Company.

(j) The Company is not a party to any agreement, contract, arrangement or plan that has resulted or would result, separately or in the aggregate, in the payment of any "excess parachute payment" within the meaning of Code Section 280G (or any corresponding provision of state, local, or foreign Tax Law) in connection with the transactions contemplated by this Agreement.

(k) The Company is not a party to or bound by any Tax sharing, Tax indemnity or Tax allocation agreement or other similar arrangement, excluding, however, any agreement or arrangement the primary purpose of which is not the allocation or payment of Tax liability and in which such provisions regarding Taxes are typical of such agreements or arrangements.

(l) Except as set forth in Schedule 3.9(l), the Company has not been a member of an affiliated group filing a consolidated federal income Tax Return.

(m) The Company has no material liability for the Taxes of any Person other than the Company (A) under Reg. Section 1.1502-6 (or any similar provision of state, local or foreign Law), (B) as a transferee or successor, or (C) by a contract other than contracts entered into in the Ordinary Course or any agreement or arrangement the primary purpose of which is not the allocation or payment of Tax liability and in which such provisions regarding Taxes are typical of such agreements or arrangements.

(n) To the Knowledge of the Sellers, the Company will not be required to make an adjustment to any Tax attribute of, or the basis of any asset of, the Company under Section 1.1502-36(d) of the Treasury Regulations as a result of the transactions contemplated by this Agreement.

(o) The Company is not under examination by any taxing authority.

(p) The Company has at all times from its incorporation through the Acquisition been treated as a validly existing "S corporation" within the meaning of Section 1361(b) and 1362 of the Code for U.S. federal and applicable state and local income Tax purposes.

(q) There are in effect no waivers of applicable statutes of limitations with respect to Taxes for any year.

Section 3.10 No Undisclosed Liabilities. Except as set forth in the Financial Statements or Schedule 3.10, the Company has no Liabilities of a nature required by GAAP to be reflected on the face of a balance sheet or in the notes thereto, other than (a) Liabilities incurred since the date of the Balance Sheet in the Ordinary Course, (b) forward-looking obligations to perform under any Contracts of the Company, or (c) the matters disclosed in or arising out of matters set forth in the schedules to this Agreement.

Section 3.11 Absence of Certain Changes. Since December 31, 2024, and except as set forth in Schedule 3.11 and for matters incurred in the Ordinary Course, (a) there has not been any Company Material Adverse Effect or any state of facts, circumstance, event, change, effect or occurrence that, individually or in the aggregate, would reasonably be expected to result in a Company Material Adverse Effect, and (b) the Company has not:

(i) amended its organizational documents or merged or consolidated with any other Person, or changed or agreed to rearrange in any manner the character of its Business;

(ii) failed to maintain its Books and Records in the Ordinary Course;

(iii) issued, sold or purchased any options or rights to subscribe, with respect to its capital stock or other equity interests, or entered into any Contract or commitment to issue, sell or purchase, any shares of its capital stock or other equity interests;

(iv) issued any note, bond or other debt security, or created, incurred, assumed or refinanced any Indebtedness, or guaranteed any Indebtedness, or incurred or assumed any Liability (whether or not currently payable), or incurred any Lien on any of its assets or rights;

(v) acquired any assets or properties or made or authorized, accelerated or deferred any capital expenditures;

(vi) declared, set aside or paid any dividends or made any other distributions of any kind to its shareholders or holders of equity interests, or made any direct or indirect redemption, retirement, purchase or other acquisition of any shares of its capital stock, units or other equity interests;

(vii) changed any of its accounting or tax methods, policies, practices, or principles, changed its reserve amounts or policies, changed any depreciation or amortization policies or previously adopted rates, or written-off as uncollectible any accounts receivable;

(viii) amended any Tax Return;

(ix) changed any working capital practice, including accelerated any collections of cash or accounts receivable or deferred or delayed payments, or failed to make timely accruals, with respect to accounts payable and Liabilities incurred in the Ordinary Course;

(x) materially damaged any material assets or properties of the Company, or any other Person, or incurred or caused any material loss, destruction or casualty not covered by insurance;

(xi) settled or compromised any Litigation or waived or released any material right of the Company;

(xii) paid, discharged or satisfied any Liability or Lien other than Indebtedness as it matures and becomes due and payable;

(xiii) compromised or settled any issue relating to Taxes of the Company, agreed to any adjustment of any Tax attribute of the Company, or made any material election with respect to Taxes;

(xiv) acquired, sold, transferred, or disposed of, or agreed to acquire, sell, transfer, or otherwise dispose of, or entered into any agreement requiring the consent of any party to the transfer and assignment of, any material assets or rights (including management and control thereof) of the Company;

(xv) (A) hired any individual as an employee, (B) hired or engaged any individual as a consultant or independent contractor of the Company, (C) increased the annual salary, bonus or other compensation payable or to become payable to any employee, consultant or independent contractor of the Company, other than normal year-end increases; (D) increased the coverage or benefits available under any existing, or created any new, severance pay, termination pay, vacation pay, company awards, salary continuation for disability, sick leave, deferred compensation, bonus or other incentive compensation, insurance, pension or other employee benefit plan or arrangement or otherwise modified or amended or terminated any such plan or arrangement, (E) entered into any employment, deferred compensation, severance, consulting, non-competition or similar agreement (or amended any such existing agreement) with any employee, consultant or independent contractor of the Company, except, in each case, as required by applicable Law or by the terms of any Employee Benefit Plan, or (F) transferred any employment contract or arrangement of any employee, consultant or independent contractor of the Company to any Affiliate of any Seller;

(xvi) made any loans to any of its Affiliates or Representatives or changed any of its existing borrowing or lending arrangements for or on behalf of any of such Persons pursuant to an Employee Benefit Plan or otherwise;

(xvii) entered into, modified or terminated any labor or collective bargaining agreement covering any employee of the Company or, through negotiations or otherwise, made any commitment or incurred any Liability to any labor organization or other group representing any employee of the Company or group thereof;

(xviii) other than salaries and bonuses payable to Sellers as employees of the Company and distributions to the Sellers, entered into any transaction between

the Company, on the one part, and any of the Affiliates of the Company, on the other part;

(xix) entered into any material real estate or personal property lease (as lessor or lessee);

(xx) made any changes in any of its sales practices or credit terms;

(xxi) waived any rights of material value or taken any actions with respect to collection practices that would reasonably be expected to result in any material losses or material adverse changes in collection loss experience;

(xxii) changed its manner of managing working capital; or

(xxiii) entered into any Contract outside the Ordinary Course, to do any of the things described in the preceding clauses (i) through (xxi).

Section 3.12 Legal Proceedings. Schedule 3.12 sets forth all Litigation of the Company for the three years prior to the date hereof, including the name of the claimant, the date of the alleged act or omission, a narrative as to the nature of the alleged act or omission, the date the matter was referred to an insurance carrier (if referred), the estimated amount of exposure, the amount the Company has accrued with respect to such matter, or the amount of the Company's claim and estimated expenses in connection with such matters. Except as set forth on Schedule 3.12, there is no current Litigation to which the Company is a party or in which the Company is otherwise involved, and, to the Knowledge of the Sellers, no such Litigation has been threatened by any Person. The Company has no Liability with respect to any past Litigation to which it was a party or was otherwise involved which is not fully covered by insurance policies. There is no Order or other determination of an arbitrator or Governmental Entity specifically applicable to the Company, or any of the Company's assets or properties. There is no Litigation relating to alleged unlawful discrimination or sexual harassment or any other Litigation that if determined adversely to the Company would be deemed a violation of Section 3.13 hereof. There is no Litigation which seeks to prevent, or seeks Damages in connection with, consummation of the Acquisition or the other transactions contemplated hereby or by the Company Ancillary Documents.

Section 3.13 Compliance with Laws.

(a) Except as set forth in Schedule 3.13, to the Knowledge of the Sellers, the Company's employees, consultants and independent contractors who are required as related to the Business to obtain and maintain Licenses in respect of their duties to the Company (such employees, consultants and independent contractors collectively, the "Licensed Professionals") have maintained and have materially complied with, and maintain and are in material compliance with, all Licenses and Laws applicable to the Company, the Business, and the Licensed Professionals. To the Knowledge of the Sellers, all such Licenses held by the Company or the Licensed Professionals are valid and in full force and effect, and there is no Litigation that could reasonably be expected to result in the termination, impairment or nonrenewal thereof.

(b) Except as set forth in Schedule 3.13, the Company, and its respective properties, assets, business and operations, have been and are being operated and have been

and are in compliance in all material respects with all Laws and Orders applicable to such properties, assets, business or operations. The Company has not received a written notice or other written communication alleging a possible violation of any Law or Order applicable to its properties, assets, business or operations, and no such written notice, communication or allegation has been threatened in writing.

(c) Neither the Company nor any of its respective shareholders, directors, or officers, or to the Knowledge of the Sellers, employees, managers, agents or other representatives, has, in connection with the Business, directly or indirectly offered, paid or promised to pay, or authorized the payment of, any money or other thing of value or any commission payment payable, to: (i) any person who is a Foreign Official; or (ii) any other Person, in either case in violation of any applicable Law for any of the following purposes: (x) influencing any action or decision of such Person in such Person's official capacity, including a decision to fail to perform such Person's official function; (y) inducing such Person to use such Person's influence with any Governmental Entity to affect or influence any act or decision of such Governmental Entity to assist the Company in obtaining or retaining business for, with, or directing business to, any Person; or (z) where such payment would constitute a bribe, kickback or illegal or improper payment to assist the Company in obtaining or retaining business for, with, or directing business to, any Person.

Section 3.14 Company Contracts.

(a) Schedule 3.14(a) sets forth a correct and complete list of the following Contracts and bids to which the Company is a party, by which the Company, or any of their respective assets or properties, is subject, or by which the Company is otherwise bound (collectively, the "Company Contracts") (other than the Employee Benefit Plans described in Section 3.15, the Employment Agreements described in Section 3.17 and the insurance policies described in Section 3.18) and:

(i) any voting trusts or similar agreements relating to any of the Shares to which any Seller or the Company is a party;

(ii) all bonds, debentures, notes, loans, credit or loan agreements or loan commitments, mortgages, indentures, guarantees or other Contracts evidencing or governing Indebtedness;

(iii) any Contracts relating to the making of any loan or advance by the Company;

(iv) all leases or licenses involving any personal property or asset requiring the payment by the Company of an amount in excess of [REDACTED] per lease or license;

(v) any Contract that imposes any non-compete, non-solicitation or exclusivity restriction on the Company with respect to any line of the Business in which the Company is currently engaged or geographic area with respect to the Company;

(vi) any Contract that limits the ability of the Company to own, operate, sell, transfer, pledge or otherwise dispose of any assets or property;

(vii) all Contracts for capital expenditures or the acquisition or construction of fixed assets requiring the payment by the Company of an amount in excess of [REDACTED] per Contract;

(viii) all Contracts granting to any Person (other than the Company) an option or a first refusal, first-offer or similar preferential right to purchase or acquire any assets which are material to the Company;

(ix) any sales, broker, distributor, dealer, representative, franchise or agency agreements;

(x) all joint venture or partnership Contracts and all other similar Contracts providing for the sharing of any profits by the Company;

(xi) all Contracts involving the sale or purchase of substantially all of the assets or equity of any Person, or a merger, consolidation or business combination transaction;

(xii) all current Contracts with any Customers of the Company pursuant to which the Company expects to receive at least [REDACTED];

(xiii) all current Contracts with any Vendors pursuant to which the Company expects to spend at least [REDACTED];

(xiv) any Contract, other than Contracts with Customers, Vendors or suppliers of the Company entered into in the Ordinary Course, under which the Company has agreed to indemnify, or to provide any warranty or guaranty in favor of, any Person;

(xv) any license, sublicense or royalty agreement, including any agreement pursuant to which the Company licenses the right to use any Company Intellectual Property that is owned by the Company to any Person or from any Person, and any research and development agreements by which Company Intellectual Property has been created;

(xvi) any Government Contract the period of performance of which has not yet expired;

(xvii) any pending Government Bid;

(xviii) any non-Customer Contract that (A) cannot be terminated by the Company, as applicable, upon thirty (30) days or less notice any time without penalty or payment of cash consideration in excess of $[REDACTED] to the counterparty and (B) involves aggregate consideration in excess of $[REDACTED];

(xix) any Contract that requires the payment of commissions, finder's fees or similar payments by the Company.

(xx) all other Contracts not made in the Ordinary Course which are material to the Company; and

(xxi) any Contract, other than as set forth above, to which the Company, or any Affiliate of the Company, is a party, the breach, violation or termination of which, or default under, by any party thereto, would reasonably be expected to result in a Company Material Adverse Effect.

(b) Correct and complete copies of all Company Contracts have been made available to the Purchaser to the extent such Company Contracts are in the Company's possession or control. The Company Contracts (other than Government Bids) are legal, valid, binding and enforceable in all material respects in accordance with their respective terms with respect to the Company, and, to the Knowledge of the Sellers, each other party to such Company Contracts, except as enforceability may be limited by bankruptcy Laws, other similar Laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(c) Except as set forth in Schedule 3.14(c):

(i) there is no default under any Company Contract by the Company or, to the Knowledge of the Sellers, by any other party thereto, and no event has occurred that with the lapse of time or the giving of notice or both would constitute a material default thereunder by the Company or, to the Knowledge of the Sellers, any other party;

(ii) no party to any Company Contract has given written notice to the Company or, to the Knowledge of the Sellers, oral notice to the Company, of or made a claim against the Company with respect to any breach or default thereunder;

(iii) no party to any Company Contract has given written notice to the Company or, to the Knowledge of the Sellers, oral notice to the Company that it intends to cancel, withdraw, modify or amend any such Contract;

(iv) with respect to each Company Contract, (A) to the Knowledge of the Sellers, the Company, as applicable, has complied with all material terms and conditions of such Company Contract, including all clauses, provisions and requirements incorporated expressly or by reference therein; (B) the Company, as applicable, has complied, in all material respects, with all requirements of any statute, rule, regulation or Order of any Governmental Entity or any agreement pertaining to such Company Contract; (C) to the Knowledge of the Sellers, all representations and certifications executed, acknowledged or set forth in or pertaining to such Company Contract were current, accurate and complete in all material respects as of their effective date, and the Company, as applicable, has complied in all material respects with all such representations and certifications;

(D) no Governmental Entity nor any prime contractor, subcontractor or other Person has notified the Company, as applicable, in writing or, to the Knowledge of the Sellers, orally, that the Company, as applicable, has breached or violated any statute, rule, regulation, certification, representation, clause, provision or requirement; (E) in writing, no termination for convenience, termination for default, cure notice or show cause notice has been issued with respect to a Company Contract; (F) except for questions and disallowances in the Ordinary Course, no cost incurred by the Company has been questioned or disallowed by a Customer or Governmental Entity; and (G) to the Knowledge of the Sellers, except as permitted by the Company Contract or agreed to in the Ordinary Course, no money due to the Company, as applicable, has been withheld or set off;

(v) there exists (A) no financing arrangements with respect to the performance by the Company; (B) no outstanding claims or requests for financial adjustments against the Company, either by any party to a Company Contract, any Governmental Entity or by any prime contractor, subcontractor, vendor or other third party, arising under or relating to any Company Contract, other than claims as to which the Company has established a reserve; (C) no contract disputes for which written notice has been given and to the Knowledge of the Sellers, no other contract disputes, in each case between the Company, as applicable, and any party to a Company Contract, any Governmental Entity or any prime contractor, subcontractor or vendor arising under or relating to any Company Contract, other than disputes as to which the Company has established a reserve;

(vi) to the knowledge of the Sellers, except as set forth in Schedule 3.14(c)(vi), (A) the revenue and profit associated with each of the Company Contracts, as applicable, have been recorded in accordance with the Company's accounting practices and (B) there exists no Company Contract, that the Company expects to receive at least $500,000, with a period of performance that has not yet ended as to which the Company's, as applicable, estimated cost at completion (including material and labor costs, other direct costs, overheads and engineering costs, whether incurred or yet to be incurred), exceeds the aggregate contract revenue recorded or reasonably expected by the Sellers to be recorded under such Company Contract through completion in accordance with GAAP.

(d) Except as set forth in Schedule 3.14(d): (i) neither the Company, nor any of its directors, officers or, to the Knowledge of the Sellers, any employees or Representatives of the Company, is (or for the last five years has been) under administrative, civil or criminal investigation, indictment or information, audit or internal investigation, with respect to any alleged irregularity, misstatement or omission arising under or relating to any Government Contract or Government Bid or is (or for the last five years has been) in violation, in any material respect, of any statutes or regulations applicable to the Company that are specifically applicable to Government Contracts, including prohibitions against conflict of interest or any governmental accounting regulations; and (ii) the Company has not made a voluntary disclosure to any Governmental Entity with respect to any alleged irregularity, misstatement or omission arising under or

relating to any Government Contract or Government Bid that has led or could be expected to lead to any of the consequences set forth in clause (i) above or other Damages.

Section 3.15 Company Employee Benefit Plans.

(a) Schedule 3.15(a) contains a true and complete list of each employment, stock option or other equity based compensation, bonus, deferred compensation, incentive compensation, severance or other termination pay, change-in-control, health, disability, life, cafeteria, insurance, supplemental unemployment benefits, profit-sharing, pension or retirement plan, policy, program, agreement or arrangement, and each other employee benefit plan, program, agreement or arrangement, whether written or oral, sponsored, maintained, participated in or contributed to or required to be contributed to by the Company, or (without duplication) in the case of any employee benefit plan described in subsections (c), (d) or (e) below, any other entity that would be deemed a "single employer" within the meaning of Section 4001(b)(1) of ERISA (an "ERISA Affiliate"), for the benefit of any current or former employee, officer, manager or director of the Company, or any ERISA Affiliate (collectively, the "Employee Benefit Plans"). Schedule 3.15(a) identifies each of the Employee Benefit Plans that is an "employee welfare benefit plan," or "employee pension benefit plan" as such terms are defined in Sections 3(1) and 3(2) of ERISA (the "ERISA Plans"). Except as contemplated under this Agreement or as required by Laws, neither the Company nor any ERISA Affiliate has any formal plan or commitment, whether legally binding or not, to create any additional Employee Benefit Plan or modify or change any existing Employee Benefit Plan that would affect any current or former employee, officer, manager or director of the Company or any ERISA Affiliate. The Company does not maintain any Employee Benefit Plan subject to a jurisdiction outside of, or for any employee, officer, manager or director of the Company, or any ERISA Affiliate, located or residing outside of, the United States.

(b) The Company has delivered or otherwise made available to the Purchaser a true and complete copy of:

(i) each Employee Benefit Plan and any related funding agreements (e.g., trust agreements or insurance contracts), including all amendments, and Schedule 3.15(b) includes a description of any such amendment that is not in writing;

(ii) the current draft of the Summary Plan Description of each Employee Benefit Plan (if applicable); and

(iii) the most recent Internal Revenue Service determination letter, advisory letter or opinion letter (if applicable) for each Employee Benefit Plan.

(c) Except as set forth in Schedule 3.15(c), neither the Company nor any ERISA Affiliate maintains or contributes to, or has within the last six (6) years maintained or contributed to, any Employee Benefit Plan that is subject to Title IV of ERISA, or Section 302 or Section 412 of the Code.

(d) Except as set forth in Schedule 3.15(d), no Employee Benefit Plan is a "multi-employer plan", as defined in Section 3(37) of ERISA, nor is any Employee Benefit Plan a plan described in Section 4063(a) of ERISA. All contributions have been made to any multiemployer plan that are required to be made by the Company under the terms of the plan or of any collective bargaining agreement or by applicable law; the Company has not withdrawn or partially withdrawn from any multiemployer plan, incurred any withdrawal liability with respect to any such plan or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan that has not been paid in full, and, to the Knowledge of the Sellers, no condition has occurred which, if continued, might result in a withdrawal or partial withdrawal by the Company from any such plan which results in withdrawal liability with respect to any plan; and the Company has not received any notice that any multiemployer plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the Code, that any such plan is or may be terminated, or that any such plan is or may become insolvent;

(e) To the Knowledge of the Sellers, no material liability under Title IV of ERISA has been incurred by the Company, or any ERISA Affiliate, since the effective date of ERISA that has not been satisfied in full, and to the Knowledge of the Sellers, no condition exists that presents a risk to the Company, or any ERISA Affiliate of incurring a liability under such title.

(f) All costs of administering and contributions required to be made on or prior to the date of this Agreement by the Company to each Employee Benefit Plan under the terms of that Employee Benefit Plan, ERISA, the Code or any other applicable Law have been timely made. All amounts properly accrued to date as Liabilities of the Company under or with respect to each Employee Benefit Plan (including administrative expenses and incurred but not reported claims) for the current plan year of the Employee Benefit Plan have been recorded on the Company's books.

(g) Except as set forth in Schedule 3.15(g), each Employee Benefit Plan complies currently, and to the Knowledge of the Sellers has complied in the past, both in form and operation, in all material respects, with all Laws applicable at the relevant time, including but not limited to ERISA and the Code. Each Employee Benefit Plan has been operated in accordance with its terms in all material respects. Furthermore, except as set forth in Schedule 3.15(g), the Internal Revenue Service has issued a favorable determination letter, advisory letter, or opinion letter with respect to each Employee Benefit Plan that is intended to qualify under Section 401(a) of the Code, and to the Knowledge of the Sellers no event has occurred (either before or after the date of the letter) that would disqualify the plan.

(h) Each Employee Benefit Plan that is intended to meet currently applicable requirements for tax-favored treatment under Subchapter D of Chapter 1 of the Code is to the Knowledge of the Sellers, in compliance with such requirements and, if applicable, with the requirements of Sections 419 and 419A of the Code, and no "disqualified benefits"

(within the meaning of Section 4976(a) of the Code) have been paid which would subject the Company to a Tax under Code Section 4976.

(i) No prohibited transaction has occurred with respect to any of the Employee Benefit Plans which is not exempt under Section 4975 of the Code and Section 406 of ERISA and which would result in a material liability to the Company, and the Company has not engaged in any transaction with respect to any Employee Benefit Plan which could subject it to either a civil penalty of a material nature assessed pursuant to Section 409, 502(i) or 502(l) of ERISA, or a material amount of Tax imposed pursuant to Section 4975 or 4976 of the Code.

(j) The Company does not maintain any plan that provides (or is intended to provide) medical or death benefits to one or more former employees (including retirees) beyond their retirement or other termination of service, other than benefits that are required to be provided pursuant to Section 4980B of the Code or state Law continuation coverage or conversion rights.

(k) There is no Litigation and, to the Knowledge of the Sellers, there are no investigations, either currently in progress or expected to be instituted in the future, relating to any Employee Benefit Plan, by any administrative agency, whether local, state or federal.

(l) There are no pending or, to the Knowledge of the Sellers, threatened lawsuits or other claims (other than routine claims for benefits under the plan) against or involving (i) any Employee Benefit Plan or (ii) to the Knowledge of the Sellers, any fiduciary of such Employee Benefit Plan (within the meaning of Section 3(21)(A) of ERISA) brought on behalf of any participant, beneficiary or fiduciary thereunder, nor to the Knowledge of the Sellers, is there any reasonable basis for any such claim.

(m) The Company has no commitment to create any additional Employee Benefit Plan, or any intention or commitment to modify any existing Employee Benefit Plan other than changes that are necessary to comply with applicable Law.

(n) Except as set forth in Schedule 3.15(n), none of the Employee Benefit Plans or any other employment agreement or arrangement entered into by the Company will entitle any current employees or former employee to any benefits or other compensation that become payable solely as a result of the consummation of the transactions contemplated hereby.

(o) None of the Employee Benefit Plans are subject to the Tax on unrelated business taxable income or unrelated debt-financed income under Section 511 of the Code.

(p) The Company has complied, prior to the date hereof (to the extent applicable), with the provisions of the Worker Adjustment and Retraining Notification Act, if applicable.

(q) To the Knowledge of the Sellers, all reports, notices and other disclosure relating to Employee Benefit Plans required to be filed with, or furnished to, Governmental Entities, plan participants or plan beneficiaries have been timely filed and furnished in

accordance with applicable Law, including notices required to be furnished to employees under the Consolidated Omnibus Budget Reconciliation Act of 1995 ("COBRA") upon the occurrence of a "qualifying event", as defined at Section 4980B of the Code, except where the failure to do so would not result in material liability to the Company.

(r) To the Knowledge of the Sellers, no Employee Benefit Plan has any interest in any annuity contract or other investment or insurance contract issued by an insurance company that is the subject of bankruptcy, conservatorship, rehabilitation or similar Litigation.

(s) None of the persons performing services for the Company have been improperly classified as independent contractors or as being exempt from the payment of wages for overtime.

(t) Schedule 3.15(t) lists, as of January 1, 2024, each individual who is absent from active employment with the Company by reason of (i) short-term or long-term disability, (ii) leave of absence under the Family and Medical Leave Act of 1993 (or comparable state statute), (iii) military leave (under conditions that give the employee re-employment rights) or (iv) other Company-approved leave of absence.

(u) Schedule 3.15(u) lists, as of July 1, 2024, each individual who (i) has elected to continue participating in a group health plan of the Company pursuant to an election under COBRA, or (ii) has not made an election under COBRA but who is still within the period during which the election may be made.

Section 3.16 Labor Relations. Except as set forth on Schedule 3.16(a), the Company is not or has not within the last six (6) years been a party to any collective bargaining agreement. During the three years prior to the date hereof, there has been no labor strike, work stoppage, unfair labor practice charge, grievance or other organized labor dispute pending or, to the Knowledge of the Sellers, threatened against or with respect to the Company. During the three years prior to the date hereof, to the Knowledge of the Sellers, there have been no activities or proceedings of any labor union to organize any employees of the Company. To the Sellers' Knowledge, no event has occurred that could provide the basis for any work stoppage or other organized labor dispute. To the Knowledge of the Sellers, the Company is not liable for the payment of any compensation, Damages, Taxes, fines, penalties or other amounts, however designated, for failure to comply with any Employment Laws. To the Knowledge of the Sellers, all of the Company's current procedures, policies and training practices with respect to employee matters, including, without limitation, those relating to the hiring and termination of employees and worker safety, conform in all material respects with all applicable Laws. The Company is not subject to any pending claim for overdue overtime compensation due to any employee, and to the Knowledge of the Sellers, no such claim has been threatened. No consent of any labor union is required to consummate the transactions contemplated by this Agreement and the Company Ancillary Documents. Except as set forth on Schedule 3.16(b), the Sellers have no Knowledge to the effect that any current key employee, consultant or independent contractor has any immediate plans to terminate or materially alter its relations with the Company, either as a result of the transactions contemplated hereby or otherwise.

Section 3.17 Employees and Contractors. Schedule 3.17 contains a correct and complete list of (a) all of the corporate officers of the Company, specifying their position, work location and

length of service, respectively, and (b) as of January 1, 2025 all of the other employees (whether full-time, part-time or otherwise) and independent contractors of the Company specifying their position, status, work location and length of service, and with respect to independent contractors, consulting or other independent contractor fees, together with an appropriate notation next to the name of any officer or other employee or independent contractor on such list who is subject to any Employment Agreement. Except to the extent set forth in Schedule 3.17:

(a) the Company is in compliance in all material respects with all Employment Laws including Laws, Orders and other requirements respecting employment and employment practices, terms and conditions of employment and wages and hours; and is not engaging in any unfair labor practice with respect to any employee of the Company;

(b) there is no existing material default or material breach of the Company under any Employment Agreement (or event or condition that, with notice or lapse of time or both could constitute a material default or material breach) and, to the Knowledge of the Sellers, there is no such material default (or event or condition that, with notice or lapse of time or both, could constitute a material default or material breach) with respect to any other party to any Employment Agreement with the Company;

(c) other than the Employment Agreements, there is no severance, consulting, relocation or other agreement, contract or arrangement between the Company and any of their respective employees, other than at-will employment arrangements;

(d) there is no pending or, to the Knowledge of the Sellers, threatened charge, complaint, allegation, application or other process or claim against the Company before any Governmental Entity with respect to any employee;

(e) no employee is covered by any collective bargaining agreement with respect to services to the Company, nor, to the Knowledge of the Sellers, is there any effort being made by any union to so organize the employees;

(f) the Company has paid, or set forth as an accrual on the Financial Statements, and performed all payment obligations when due with respect to its respective employees, consultants, agents, officers and directors, including without limitation the payment of any accrued and payable wages, severance pay, vacation pay, benefits and commissions, except those obligations that are in good faith being challenged by the Company as not valid obligations as more fully described in Schedule 3.17; and

(g) except as set forth in Schedule 3.17, there are no pending or, to the Knowledge of the Sellers, threatened claims or actions against the Company under any workers' compensation policy or long-term disability policy.

Section 3.18 Insurance Policies and Bonds.

(a) The Company maintains insurance coverage with respect to its properties and business of such a nature, in such amounts, with such terms, and covering such risks as are required under Contracts and applicable Laws. All such policies are in full force and effect. The Company has not received written notice of default under any such policy, nor has it received written notice of any pending or threatened termination or cancellation,

coverage limitation or reduction, or material premium or deductible increase with respect to any such policy.

(b) Schedule 3.18(b) contains a complete list of all insurance policies carried by or for the benefit of the Company (including any such policy under which the Company is listed as a named insured or an additional insured), specifying the insurer, the amount of and nature of coverage, the risk insured against, the deductible amount (if any), the date through which coverage shall continue by virtue of premiums already paid, and a list and description of all claims made against such insurance policies for the three-year period prior to the date hereof. None of the policy limits of such insurance have been exhausted, nor has the Company failed to give any notice or to present any claim thereunder in due and timely fashion. The Company has not received any notice of the intent of any insurance company to not renew or to cancel any insurance policies for the Company or materially increase the premiums thereunder, and except as set forth in Schedule 3.18(b), none of the insurance policies shall terminate solely as a result of the transactions contemplated hereby. The Company's insurance policies provide, and have previously provided, all coverage that is or was required by applicable Law and by any and all Contracts and Licenses to which the Company is or was a party.

(c) Schedule 3.18(c) contains a complete, current and correct list of all outstanding bonds (including any bid, performance and payment bonds), letters of credit and other surety arrangements issued or entered into in connection with the Business, assets and Liabilities of the Company. The Company is not in default under any of such arrangements.

Section 3.19 Environmental, Health and Safety Matters.

(a) Except as set forth in Schedule 3.19(a), To the Knowledge of the Sellers, the Company is currently in compliance and has been in compliance, in all material respects, with all applicable Environmental Laws.

(b) (i) To the Knowledge of the Sellers, no Environmental Claims have been asserted in writing, or orally against the Company, nor do the Sellers have any Knowledge or notice of any pending or threatened Environmental Claims concerning the violation of any Environmental Law against the Company; and (ii) to the Knowledge of the Sellers, the Company has no Liabilities under any Environmental Law or with respect to Hazardous Substances.

(c) (i) To the Knowledge of the Sellers, there has been no Release or threatened Release at, on, under or from any of the properties or facilities currently leased or operated by the Company that could reasonably be expected to result in material Liability to the Company under any Environmental Law or Contract or with respect to Hazardous Substances; (ii) to the Knowledge of the Sellers, there was no Release at, on, under or from any of the properties formerly leased or operated by the Company during the period of such tenancy or operation that could reasonably be expected to result in Liability to the Company under any Environmental Law or Contract; and (iii) to the Knowledge of the Sellers, the Company has not arranged, by Contract, agreement or otherwise, for the

treatment or disposal of Hazardous Substances at any location such as could reasonably be expected to result in any material Liability to the Company.

(d) To the Knowledge of the Sellers, except as set out in Schedule 3.19(d), the Company has not, as related to their services at a facility or project site, been involved in any event involving loss of life, bodily injury or any violation of any Environmental Law during the most recent five (5) year period.

Section 3.20 Transactions with Affiliates. Except as set forth in Schedule 3.20, to the Knowledge of the Sellers, other than for compensation received as employees and reimbursement for expenses incurred in the Ordinary Course, no Affiliate of the Company, no Person with whom any such Affiliate has any direct or indirect relation by blood, marriage or adoption, no entity in which any such Affiliate or Person owns any beneficial interest (other than a publicly held entity whose stock is traded on a national securities exchange or in the over-the-counter market and less than five percent (5%) of the stock of which is beneficially owned by all such Affiliates and Persons in the aggregate), and no Affiliate of any of the foregoing has any interest in: (a) any Contract, arrangement or understanding with the Company, or the properties or assets of the Company; (b) any loan, arrangement, understanding, agreement or Contract for or relating to the Company, or the properties or assets of the Company; or (c) any property (real, personal or mixed), tangible or intangible, used or currently intended to be used by the Company. Schedule 3.20 sets forth a correct and complete list of (y) all accounts receivable, notes receivable and other receivables and accounts payable owed by the Company to or due to the Company from any Affiliate of the Company, and (z) to the Knowledge of the Sellers, each blood or spousal relationship between (A) supervisory employees of the Company, and (B) employees of the Company whom such supervisory employees directly or indirectly supervise.

Section 3.21 Customers and Vendors; Services.

(a) Schedule 3.21(a) contains a correct and complete list of the names and addresses of the Customers and Vendors who acquired or were sold services or from whom purchases were made in excess of [REDACTED] since [REDACTED], and the amount of sales or services provided to or purchases or services received from each such Customer or Vendor since [REDACTED]. The Company maintains commercially reasonable relations with each of its Customers and Vendors. Except as set forth in Schedule 3.21(a), no Customer or Vendor has during the last twelve (12) months, cancelled, terminated or, to the Knowledge of the Sellers, made any threat (i) to cancel or otherwise terminate any of its Contracts with the Company, or (ii) to decrease its usage or supply of the Company's services.

(b) The Company has not been subject to any criminal investigation or penalty, civil penalty or award of civil damages with respect to the provision of services, and there is no Litigation by any Customer, Governmental Entity or insurers with respect to any services or other professional work performed by the Company.

Section 3.22 Service Warranties. Except as set forth in Schedule 3.22, the Company has not made any express warranty or guaranty as to services provided by the Company or their respective subcontractors, other than those warranties or guaranties provided for by applicable Laws (including without limitation by the inclusion or incorporation of contract clauses codified

in the Federal Acquisition Regulation). There is no pending or, to the Knowledge of the Sellers, threatened claim alleging, or any existing facts or circumstances that could reasonably be expected to give rise to, any breach of any express or implied warranty or guaranty or request for credit for defective services. The Company has not been required to pay direct, incidental or consequential Damages to any Person or to incur any direct or indirect costs in connection with a warranty or guaranty claim in connection with any of such services during the three years prior to the date hereof.

Section 3.23 Intellectual Property.

(a) Schedule 3.23(a) contains a correct and complete list of all Company Registered Intellectual Property and all unregistered trademarks and service marks that constitute Company Intellectual Property owned by the Company.

(b) No Company Intellectual Property that is owned by the Company and no Company Proprietary Software is subject to any proceeding or outstanding Order (i) restricting in any manner the use thereof by the Company, or (ii) that may affect, to the Knowledge of the Sellers, the validity, use or enforceability of any such Intellectual Property or any such Company Proprietary Software. To the Knowledge of the Sellers, no Company Intellectual Property licensed to the Company and no Company Licensed Software is subject to any proceeding or outstanding Order (A) restricting in any manner the use thereof by the Company, or (B) that may materially affect the validity, use or enforceability of such Company Intellectual Property or any such Company Licensed Software.

(c) Each item of Company Registered Intellectual Property is subsisting and in full force in all material respects. All necessary registration, maintenance and renewal fees due prior to the date hereof in connection with Company Registered Intellectual Property have been paid and all necessary documents, recordations and certifications required to be filed on or prior to the date hereof in connection with the Company Registered Intellectual Property have been filed with the relevant patent, copyright, trademark or other authorities in the United States or foreign jurisdictions, as the case may be, for the purposes of maintaining such Company Registered Intellectual Property or recording ownership by the Company of such Company Registered Intellectual Property (aside from any recordation that may result or be required by this Agreement).

(d) The Company is the sole and exclusive owner, free and clear of any Lien, except Permitted Liens of each item of Company Intellectual Property owned or purported to be owned and used by the Company in the conduct of its business currently conducted, other than Intellectual Property that is licensed to the Company and Intellectual Property that is available generally to the public without the requirement of a license.

(e) Schedule 3.23(e) lists all works of original authorship both owned by the Company and prepared by or on behalf of the Company (including Software programs), which works are material to the conduct of the Business of the Company, regardless of whether the Company has obtained or is seeking a copyright registration for such works.

(f) To the Knowledge of the Sellers, the operations of the Company as currently conducted do not infringe or misappropriate the Intellectual Property of any third party or constitute unfair competition or unfair trade practices under the Laws of any jurisdiction.

(g) To the Knowledge of the Sellers, no Person is infringing or misappropriating any Company Intellectual Property that is owned by or exclusively licensed to the Company.

Section 3.24 Software.

(a) Schedule 3.24(a) sets forth a correct and complete list of the agreements for Company Licensed Software other than licenses to Company to use commercially available off-the-shelf Software.

(b) None of the Company Proprietary Software is subject to any contractual obligation or condition (including any obligation or condition under any "open source" license to which Company has agreed) that: (i) could or does require, or could or does condition the use or distribution of such Company Proprietary Software on, the disclosure, licensing or distribution of any source code for any portion of such Company Proprietary Software; or (ii) could or does otherwise impose any material limitation, restriction or condition on the right or ability of the Company to use or distribute any Company Proprietary Software.

(c) To the Knowledge of the Sellers, none of the Company Software contains any material programming defect, error or bug that is outside the scope of programming defects, errors and bugs typically corrected in the Ordinary Course of the Company's software maintenance procedures and programs and that, if such defect, error or bug were not corrected, would materially and adversely affect the Company's operations.

(d) Except as disclosed in Schedule 3.24(d), the source code for Company Proprietary Software currently in use by the Company or that is subject to any license arrangement is maintained in confidence consistent with commercially reasonable effort and generally recognized industry practices.

Section 3.25 Licenses. Schedule 3.25 is a correct and complete list of all Licenses held by the Company, and to the Knowledge of the Sellers, held by each Licensed Professional. To the Knowledge of the Sellers, the execution, delivery and the consummation of the transaction contemplated by this Agreement shall not by themselves adversely affect any such License, or require consent from, or notice to, any Governmental Entity. The Company, and to the Knowledge of the Sellers, each Licensed Professional have taken all commercially reasonable actions to maintain each License. No loss, suspension or expiration of any License is pending or, to the Knowledge of the Sellers, threatened (other than expiration upon the end of any term).

Section 3.26 Bank Accounts and Powers of Attorney. Schedule 3.26 sets forth (a) the names and locations of all banks, trusts, companies, savings and loan associations and other financial institutions at which the Company maintains safe deposit boxes, checking accounts, lock box or other accounts of any nature with respect to its business, and (b) the names of all persons authorized to draw thereon, make withdrawals therefrom or have access thereto. Schedule 3.26

also sets forth the name of each Person, firm, corporation or business organization holding a general or special power of attorney from the Company and a summary of the terms thereof.

Section 3.27 Accounting Records. Except as reflected in the Financial Statements or in Schedule 3.27, the Company maintains accounting records that fairly and validly reflect, in all material respects, its transactions and maintains accounting controls sufficient to provide reasonable assurances that such transactions are, in all material respects, (a) executed in accordance with management's general or specific authorization, and (b) recorded as necessary to permit the preparation of financial statements applied on a consistent basis.

Section 3.28 Brokers, Finders and Investment Bankers. Except as set forth in Schedule 3.28, neither the Company nor any Representative or Affiliate of the Company has employed any broker, finder or investment banker or incurred any liability for any investment banking fees, financial advisory fees, brokerage fees or finders' fees in connection with the transactions contemplated hereby.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE SELLERS RELATING TO THE SELLERS

Each Seller hereby represents and warrants to the Purchaser, severally, as of the date hereof, that, except as set forth in the Disclosure Schedule:

Section 4.1 Authorization. Each Seller has the right, power, authority and capacity to execute and deliver this Agreement and the Company Ancillary Documents to which such Seller is a party and to perform such Seller's obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. This Agreement and each of the Company Ancillary Documents to which each Seller is a party have been duly executed and delivered by such Seller, and assuming due authorization, execution and delivery thereof by the other Parties hereto and thereto, constitute the valid and binding agreement of such Seller, enforceable against such Seller in accordance with their terms, except as such enforceability (a) may be limited by bankruptcy, insolvency, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally, and (b) is subject to general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

Section 4.2 Absence of Restrictions and Conflicts. The execution and delivery by each Seller of this Agreement and the Company Ancillary Documents to which such Seller is a party does not, and the performance of such Seller's obligations hereunder and thereunder will not, (a) to the Knowledge of such Seller, conflict with or violate any Law applicable to such Seller (with or without notice or lapse of time or both), or by which any of such Seller's properties or assets is bound, (b) to the Knowledge of such Seller, violate or conflict with, constitute a breach of or default under, result in the loss of any benefit under, permit the acceleration of any obligation under or create in any party the right to terminate, modify or cancel, (i) any contract, will, agreement, permit, franchise, license or other instrument applicable to such Seller, or (ii) any Order of any Governmental Entity to which such Seller is a party or by which any of such Seller's properties are bound, or (c) conflict with or violate any arbitration award applicable to such Seller, except with respect to clauses (a) and (b) above, for any such conflicts, violations, breaches,

defaults or other occurrences that would not, individually or in the aggregate reasonably be expected to result in a Company Material Adverse Effect.

Section 4.3 Ownership of Shares.

(a) Each Seller has good and valid title to and beneficial ownership of the Shares set forth next to such Seller's name on Schedule 3.3; such Shares are validly issued and free and clear of all Liens other than restrictions under applicable securities Laws and Liens arising under any notes receivable from such Seller for such Shares which will be paid at or prior to Closing; and, immediately following the completion of the transactions contemplated by this Agreement, the Purchaser will own the Shares free and clear of all Liens, other than restrictions under applicable securities Laws and other than Liens imposed by the Purchaser.

(b) Other than the Shares set forth next to each Seller's name on Schedule 3.3, such Seller owns no other equity security of the Company, or any warrant, purchase right, subscription right, conversion right, exchange right, conversion right, contingent right to receive or other right of any kind to have any such equity security issued.

Section 4.4 Legal Proceedings. There is no Proceeding pending or, to the Knowledge of the Sellers, threatened against, relating to or involving such Seller that could reasonably be expected to adversely affect such Seller's ability to consummate the transactions contemplated by this Agreement or any Company Ancillary Document to which such Seller is a party.

Section 4.5 No Foreign Person. Such Seller is not a foreign person within the meaning of Section 1445 of the Code.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser hereby represents and warrants to the Sellers, as of the date hereof, that:

Section 5.1 Organization. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of California and has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

Section 5.2 Authorization. The Purchaser has all necessary corporate power and corporate authority to execute and deliver this Agreement and the Purchaser Ancillary Documents to which it is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Purchaser of this Agreement and the Purchaser Ancillary Documents to which it is a party, the performance by it of its obligations hereunder and thereunder, and the consummation of the transactions provided for herein and therein have been duly and validly authorized by all necessary corporate action on the part of the Purchaser. This Agreement and the Purchaser Ancillary Documents to which the Purchaser is a party have been duly executed and delivered by the Purchaser and, assuming due authorization, execution and delivery hereof and thereof by the other parties hereto and thereto, constitutes the valid and binding agreement of the Purchaser enforceable against the Purchaser in accordance with their terms, except as such enforceability (a) may be limited by bankruptcy,

insolvency, moratorium or other similar Laws affecting or relating to enforcement of creditors' rights generally, and (b) is subject to general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity).

Section 5.3 Absence of Restrictions and Conflicts.

(a) The execution and delivery by the Purchaser of this Agreement and the Purchaser Ancillary Documents to which it is a party does not, and the performance of the Purchaser's obligations hereunder will not, (i) conflict with or violate the certificate of incorporation or bylaws of the Purchaser, (ii) conflict with or violate any Law applicable to the Purchaser (with or without notice or lapse of time or both), or by which any of its properties or assets is bound, or (iii) require any consent or result in any violation or breach of, or constitute a default or give to others any rights of termination, amendment, acceleration or cancellation, under, or result in the triggering of any payments or result in the creation of a Lien or other encumbrance on any of its properties or assets pursuant to, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, Contract, lease, license, permit, franchise or other instrument or obligation to which the Purchaser is a party or by which it or any of its properties or assets is bound, except, with respect to clauses (ii) and (iii), for any such conflicts, violations, breaches defaults or other occurrences that would not, individually or in the aggregate, reasonably be expected to result in a Purchaser Material Adverse Effect.

(b) The execution and delivery by the Purchaser of this Agreement and the Purchaser Ancillary Documents to which it is a party does not, and the performance of its obligations hereunder and thereunder will not, require any consent, approval, authorization or permit of, or filing with, or notification to, any Governmental Entity, except where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not, individually or in the aggregate, reasonably be expected to result in a Purchaser Material Adverse Effect.

(c) Intentionally Deleted.

Section 5.4 Legal Proceedings. There is no Proceeding pending or, to the knowledge of the Purchaser, threatened against, relating to or involving the Purchaser that could reasonably be expected to adversely affect the Purchaser's ability to consummate the transactions contemplated by this Agreement or any Purchaser Ancillary Document to which the Purchaser is a party.

Section 5.5 Brokers, Finders and Investment Bankers. Neither the Purchaser nor any Representative or Affiliate of the Purchaser has employed any broker, finder or investment banker or incurred any liability for any investment banking fees, financial advisory fees, brokerage fees or finders' fees in connection with the transactions contemplated hereby.

Section 5.6 Investment Intent. The Purchaser is acquiring the Shares for its own account for investment purposes only, and not with a view to their distribution within the meaning of Section 2(11) of the Securities Act of 1933, as amended.

ARTICLE VI
CERTAIN COVENANTS AND AGREEMENTS

Section 6.1 Further Assurances; Cooperation. If at any time after the Closing Date any additional action is necessary or reasonably requested to carry out the purposes of this Agreement, the Parties shall use commercially reasonable efforts to take or cause to be taken all such action reasonably requested by any Party.

Section 6.2 Public Announcements. Subject to any legal obligations, the Purchaser and the Seller Representative shall consult with each other with respect to the timing and content of any announcements regarding this Agreement or the transactions contemplated hereby, and no Party shall, without the prior written consent of the Seller Representative (in the case of the Purchaser) or the Purchaser (in the case of the Sellers), issue (or in the case of the Purchaser, permit the Company to issue) any public announcement or press release regarding this Agreement or the transactions contemplated hereby.

Section 6.3 Tax Matters.

(a) Tax Periods Ending on or Before the Closing Date. The Seller Representative shall prepare or cause to be prepared and timely filed all Tax Returns of the Company for all Pre-Closing Tax Periods. In the case of any such Tax Returns filed after the Closing Date, the Company will authorize the Seller Representative to sign, or if requested by the Seller Representative an appropriate officer of the Company will sign, such Tax Returns. All Tax Returns filed with respect to Pre-Closing Tax Periods shall be prepared using the same accounting method and elections used for the preparation of such Tax Returns in the preceding taxable period unless otherwise required by applicable Law or mutually approved by the Purchaser and the Seller Representative in writing. The Sellers shall pay or cause to be paid on behalf of the Company all Taxes of the Company with respect to all Pre-Closing Tax Periods except to the extent such Taxes were taken into consideration in computing Closing TNAV and excluding any taxes for which a reserve for deferred Taxes was established. Any Tax refunds that are received by the Company, and any amounts credited against Taxes to which the Company becomes entitled, that relate to any Pre-Closing Tax Period (including the portion of a Straddle Period ending on the Closing Date), shall be for the account of the Sellers, and the Purchaser shall pay over to the Sellers any such refund or the amount of any such credit within fifteen (15) days after receipt thereof or entitlement thereto, except to the extent such Tax refunds were taken into consideration in computing Closing TNAV. In addition, to the extent that a claim for refund or a proceeding results in a payment or credit against Tax by any taxing authority to the Company of any amount that had been taken into account as a liability for Taxes in the determination of Closing TNAV, the Purchaser shall cause the Company to pay such amount to the Sellers within fifteen (15) days after receipt or entitlement thereto.

(b) Tax Periods Beginning Before and Ending After the Closing Date. The Purchaser shall prepare or cause to be prepared at its own expense and shall timely file, taking into account extensions, or cause to be timely filed all Tax Returns of the Company for any Tax periods which begin before the Closing Date and end after the Closing Date (each, a "Straddle Period"). At least thirty (30) days prior to the date on which each such Straddle Period Tax Return is to be filed, the Purchaser shall provide a copy of such

Straddle Period Tax Return to the Seller Representative for his review and shall make any reasonable changes to such Tax Return that are requested by the Seller Representative. The Sellers shall reimburse the Purchaser for the portion of the Taxes paid by the Purchaser with respect to such Straddle Period Tax Return that is allocable to the portion of the Straddle Period that ends on the Closing Date, except to the extent that such Taxes are taken into account in computing TNAV, such reimbursement to be made within fifteen (15) days after such payment. For purposes of this Agreement, Taxes for a Straddle Period shall be allocated as follows: (i) *ad valorem* Taxes (including but not limited to sales Taxes and property Taxes) shall be allocated between the portion of the Straddle Period that ends on the Closing Date and the remaining portion of the Straddle Period in proportion to the number of days in each such portion, and (ii) all other Taxes shall be allocated based on a "closing of the books" as of the close of business on the Closing Date. All Tax Returns filed for any Straddle Period shall be prepared using the same accounting method and elections used for the preparation of such Tax Returns in the preceding taxable periods unless otherwise required by applicable Law or mutually approved by the Purchaser and the Seller Representative in writing. The Purchaser shall pay over to the Sellers any Tax refunds for any Straddle Period that are allocable (in accordance with the foregoing principles) to the portion of such Straddle Period ending on the Closing Date, such refund to be paid within fifteen (15) days of the Company's receipt of the same.

(c) Tax Audits and Contests. The Purchaser shall promptly notify the Seller Representative in writing upon the receipt by the Purchaser or the Company of notice of any audit or any court or administrative Litigation relating to the liability of the Company for Taxes for any period described in Sections 6.3(a) or 6.3(b). The Sellers shall have the right, at their own expense and through counsel of their choosing, to participate in any audit or Litigation relating to a Pre-Closing Tax Period or Straddle Period, and the Sellers shall have the right, at their own expense and through counsel of their choosing reasonably acceptable to the Purchaser, to control any such audit or Litigation that relates to a Pre-Closing Tax Period (including any portion of a Straddle Period that relates to periods prior to and including the Closing Date). The Purchaser shall have the right, at its own expense, to participate in any audit or Litigation that is controlled by the Sellers, and the Purchaser shall control any audit or Litigation that is not controlled by the Sellers. The Purchaser shall not agree to settle or cause or permit the Company to settle any audit or Litigation which has the effect of imposing additional Tax liability on the Company or the Sellers with respect to any Pre-Closing Tax Period or the portion of any Straddle Period that ends on the Closing Date without the advance written consent of the Seller Representative (which consent will not be denied, delayed or conditioned unreasonably). In the event of conflict between the provisions of this Section 6.3(c) and the provisions of Section 8.3 with respect to any potential Liability for Taxes, the provisions of this Section 6.3(c) shall control.

(d) Section 338(h)(10) Elections.

(i) The Sellers and the Purchaser may make a timely, effective, and irrevocable election under Section 338(h)(10) of the Code and under any comparable statutes in any other jurisdiction with respect to Alternative Power Generation, Inc. (collectively, the "Section 338(h)(10) Elections") and shall file such Section 338(h)(10) Elections in accordance with applicable regulations. The Sellers and the Purchaser shall cooperate in

all respects for the purpose of effectuating the Section 338(h)(10) Elections, including the execution and filing of any required Tax Returns and the grant of consent to the Section 338(h)(10) Elections by the Sellers. Without limiting the foregoing, the Purchaser and the Sellers shall each execute a Form 8023 with respect to Alternative Power Generation, Inc. at the Closing, which form shall be timely filed by the Purchaser.

(ii) Within 120 days after the Closing Date, the Purchaser shall deliver to the Sellers an allocation of the Aggregate Deemed Sales Price (as such term is defined in Treasury Regulation § 1.338-4) among the assets of Alternative Power Generation, Inc. in accordance with Treasury Regulations §§ 1.338-6 and 1.338-7 (the "Allocation Statement"). The allocation of the Aggregate Deemed Sales Price shall be in accordance with the fair market value of the acquired assets as provided in Section 1060 of the Code. The Purchaser shall have the right to review the Allocation Statement. Within twenty (20) days after the Seller's receipt of the Allocation Statement, the Seller shall indicate its concurrence therewith, or propose to the Purchaser any changes to the Allocation Statement. The Seller's failure to notify the Purchaser of any objection to the Allocation Statement within twenty (20) days after receipt thereof shall constitute the Seller's concurrence therewith. Should the Seller propose any change to the Allocation Statement, the Purchaser and the Sellers shall resolve any disagreement regarding the Allocation Statement in accordance with the provisions of Section 2.4(d). The allocation(s) so determined in accordance with this Section 6.3(d) shall be binding on the parties, and all Tax Returns filed by the Purchaser, the Sellers, and each of their Affiliates, if any, shall be prepared consistently with such allocation(s), and none of them shall take a position on any Tax Return or other form or statement contrary to or inconsistent with such allocation(s) (unless required to do so by Law). Appropriate adjustments shall be made with respect to the allocation for all payments made after the Closing Date in accordance with Section 6.3(d)(iii). Each of the parties agrees to notify the other if the IRS or any other authority proposes a reallocation of amounts allocated pursuant to this Section 6.3(d)(ii).

(iii) With respect to payments made after the Closing Date and not included in the original Allocation Statement, Sellers shall prepare and provide to Purchaser within sixty (60) days after such payments are made a revised Allocation Statement that reflects such payments and is prepared in accordance with Section 6.3(d)(ii). Thereafter, Sellers and Purchaser shall follow the same procedures contained in Section 6.3(d)(ii) in finalizing the revised Allocation Statement. The allocations determined in accordance with this Section 6.3 shall be binding on the parties, and all Tax Returns filed by the Purchaser, the Sellers, and each of their Affiliates, if any, shall be prepared consistently with such allocations, and none of them shall take a position on any Tax Return or other form or statement contrary to or inconsistent with such allocation (unless required to do so by Law). Each of the parties agrees to notify the other if the IRS or any other authority proposes a reallocation of amounts allocated pursuant to this Section 6.3(d)(iii).

(iv) Buyer shall reimburse Sellers for all of Sellers's costs and expenses, including but not limited to legal and accounting, relating to the Section 338(h)(10) Election. The Buyer shall also pay to the Sellers the amount necessary (such amount, the "Tax Adjustment Amount") to cause the Sellers' after Tax net proceeds from the sale of the Shares pursuant to this Agreement, taking into account the Section 338(h)(10) Election (and taking into account additional Taxes as a result of all payments made after the Closing

Date (including but not limited to the payment pursuant to this Section 6.3(d)(iv)) and calculated based on the allocations determined pursuant to the preceding paragraphs to be equal to the after-Tax net proceeds that the Sellers would have received had the 338(h)(10) Election not been made, in each case without taking into account any of the Sellers' tax items or attributes not directly related to the Company, subject to any adjustments by any Taxing Authority and/or as necessary to reflect any subsequent adjustments to the Purchase Price pursuant to this Agreement. Within thirty (30) days after the final determination of the allocation in accordance with the above paragraph and on an annual basis thereafter through the year ending December 31, 2029, the Sellers shall provide the Buyer a schedule, with supporting workpapers, setting forth a calculation of the Tax Adjustment Amount (the "Tax Adjustment Schedule"). Purchaser shall notify the Seller Representative in writing, not later than thirty (30) days from Purchaser's receipt of the Tax Adjustment Schedule, of a disagreement with the amounts reflected in the Final Statement (the "Tax Adjustment Disagreement"). Such notice shall specify all items as to which there is disagreement, including the amount, and provide an explanation of the basis for such disagreement. The failure of Purchaser to timely notify the Seller Representative in writing of the existence of a Tax Adjustment Disagreement shall be deemed, for all purposes, Purchaser's acceptance of the Tax Adjustment Schedule. Purchaser and the Seller Representative shall attempt in good faith to agree upon the Tax Adjustment Amount and, if they are unable to do so within twenty (20) days, they shall resolve in accordance with the provisions of Section 2.4(d). The Tax Adjustment Amount shall be payable within ten (10) days after the determination of the final Tax Adjustment Amount and will be treated for all purposes as an adjustment to the Purchase Price.

(e) Transfer Taxes. All excise, transfer, stamp, documentary, filing, recordation and other similar taxes, together with any interest, additions or penalties with respect thereto and any interest in respect of such additions or penalties, resulting directly from the sale and transfer by the Sellers to the Purchaser of the Shares (the "Transfer Taxes") under California law, shall be borne by the Sellers. Notwithstanding Sections 6.3(a) and (b), which shall not apply to Tax Returns relating to Transfer Taxes, any Tax Returns that must be filed in connection with Transfer Taxes shall be prepared and filed when due by the Sellers, taking into account extensions.

(f) Amendments, Modifications, Etc. Notwithstanding anything to the contrary in this Agreement, except to the extent required by applicable Law, the Purchaser shall not, and shall not permit any of its Affiliates to, (i) amend any Tax Returns with respect to any Pre-Closing Tax Period or any Straddle Period, (ii) file any Tax Return of the Company for any taxable period (or portion thereof) ending on or before the Closing Date, or (iii) make or change any Tax election that has retroactive effect to any taxable period (or portion thereof) ending on or before the Closing Date, in each case, without the prior written consent of the Sellers, which consent shall not be unreasonably delayed, conditioned or withheld.

(g) Cooperation. The Purchaser and the Sellers shall cooperate fully, as and to the extent reasonably requested by the other Party, in connection with the preparation and filing of Tax Returns pursuant to this Section 6.3 and any audit or Litigation with respect to Taxes.

Section 6.4 Resignation. Unless otherwise directed by the Purchaser in writing at or prior to the Closing, the Sellers shall have caused the directors of the Company to deliver written

resignations from their positions, in form and substance satisfactory to the Purchaser, effective as of the Closing.

Section 6.5 Release.

(a) Each Seller, severally, on behalf of such Seller and such Seller's successors, assigns, heirs, members, beneficiaries, creditors, Representatives, trustees and Affiliates (the "Releasing Parties") hereby fully, finally and irrevocably releases, acquits and forever discharges the Company, and its successors, assigns, Affiliates, insurers, controlling persons, and operating, administration and services companies and the like, and all persons and entities acting for, through or in concert with any of them (collective, the "Released Parties"), of and from any and all commitments, actions, debts, claims, counterclaims, suits, causes of action, Damages, demands and compensation of every kind and nature whatsoever, past, present or future, whether known or unknown, contingent or otherwise, suspected or unsuspected, at law or in equity, whether in any federal or state court or before an administrative agency of any federal, state, county or municipal government, which such Releasing Parties, or any of them, had, has or may have had at any time in the past until and including the date of this Agreement, against the Company, or their respective predecessors, only with regard to (i) any claims which relate to or arise out of such Releasing Party's prior relationship with the Company, or their respective predecessors, or such Seller's rights or status as an officer, director or employee of the Company, or their respective predecessors, and (ii) any rights to intellectual property, or any rights to indemnification or reimbursement from the Company, or their respective predecessors, whether pursuant to their respective organizational documents, contract or otherwise, and whether or not relating to claims pending on, or asserted after, the Closing Date (collectively, "Causes of Action"); provided, however, that nothing herein shall be deemed to release any claims of a Seller for amounts owed to the Seller pursuant to this Agreement and amounts owed to a Seller in the Ordinary Course for compensation for services rendered as an employee of the Company.

(b) Each Seller, severally, hereby represents to the Released Parties that such Seller (i) has not assigned any Causes of Action or possible Causes of Action against any Released Party, (ii) fully intends to release all Causes of Action against the Released Parties, and (iii) has been given an opportunity to or has consulted with counsel with respect to the execution and delivery of this release and has been apprised of the consequences hereof.

(c) Each Seller, severally, hereby irrevocably covenants to refrain from, directly or indirectly, asserting any claim or demand, or commencing, instituting or causing to be commenced, any proceeding of any kind against any Released Parties, based upon any Causes of Action. Each Seller further agrees that, in the event such Seller brings a claim or charge covered by this Section 6.5 or does not dismiss and withdraw any claim covered by this Section 6.5 in which he seeks Damages or any other relief against any Released Party, or in the event he seeks to recover against any Released Party in any claim brought by a Governmental Entity on such Seller's behalf, the release in this Section 6.5 shall serve as a complete defense to such claims or charges.

Section 6.6 Employee Benefits Matters. The Purchaser shall continue the employment of each individual who is an employee of the Company as of immediately prior to the Closing (each, a "Continuing Employee") on an at-will basis or pursuant to the terms of any existing employment agreement in effect on the Closing Date, as applicable.

(a) With respect to any one or more employee benefit policies, plans or programs maintained by the Purchaser or its Affiliates from time to time (each, a "Purchaser Plan") in which Continuing Employees participate after the Closing, the Purchaser shall, or shall cause the Company or such Affiliates to recognize all service of Continuing Employees with the Company and its current and former Affiliates from each such employee's most recent date of hire as reflected in the Company's records for purposes of eligibility to participate, vesting credit (other than vesting of equity awards), form of payment, and accrual of paid time off benefits or severance in applicable Purchaser Plans, as such plans may be amended from time to time, to the same extent taken into account under a comparable Employee Benefit Plan immediately prior to Closing, but not to any extent that such recognition would result in any duplication of benefits.

(b) The Purchaser will provide an annual bonus pool opportunity for the Company's employees, consistent with the Company's past practice and not reduce the salary of any Continuing Employee. The Purchaser may not amend, modify or terminate these bonus opportunities prior to December 31, 2027 without the prior consent of the Seller Representative. In addition, commencing in March 1, 2025, all eligible employees of the Company will be able to purchase the Purchaser's common stock at a discount in accordance with the terms and condition of the Purchaser's Employee Stock Purchase Plan. The discount as of the date of this Agreement is a minimum of fifteen percent (15%) to market price applied to a maximum $25,000 purchase per year and will remain the discount absent modification to the Purchaser's Employee Stock Purchase Plan. All key employees will be eligible for stock options and restricted stock units (RSUs) under Willdan Group Inc.'s Restricted Stock Program (the "Program"), granted annually by the Board of Directors for senior staff and significant contributors. Each Seller will be considered a key employee for purposes of receiving stock options and RSUs under the Program, and, to the extent the Company's performance permits the award of RSUs under the Program, Purchaser or its Affiliates will recommend to the Board of Directors of Willdan Group Inc. that Sellers are awarded RSUs under the Program.

(c) Nothing contained in this Section 6.6 shall be construed to (i) establish, amend, or modify any benefit or compensation plan, program, agreement or arrangement, (ii) limit the ability of the Purchaser or the Company to amend, modify or terminate any compensation or benefit plan, program or arrangement maintained by the Company or Purchaser at any time after the Closing Date, or (iii) provide any third party beneficiary rights to any Person under this Agreement.

Section 6.7 Transaction Expenses. The Parties hereby agree that the Sellers shall be responsible for and shall pay any and all Transaction Expenses incurred by or on behalf of the Sellers and/or the Company (the "Seller Transaction Expenses") and that the Purchaser shall be responsible for and shall pay any and all Transaction Expenses incurred by or on behalf of the Purchaser. The Parties covenant that, to the maximum extent permitted by applicable Law, any Tax deduction resulting from the accrual of any Seller Transaction Expenses will be reported in a Pre-Closing Tax Period rather than in any taxable period ending after the Closing Date.

Section 6.8 Professional Liability Insurance. The Purchaser will add the Company to Purchaser's professional liability insurance policy at Closing and such professional liability insurance coverage shall be retroactive to the inception of the Company's professional liability insurance coverage for all projects. The professional liability insurance coverage provided will be no less than [REDACTED] per claim and [REDACTED] annual aggregate.

Section 6.9 Purchaser Waivers. The Purchaser hereby waives any requirement that the Company or the Sellers (i) obtain the consent of the Company's landlords to or (ii) provide prior written notice to the Company's landlords of, the consummation of the Acquisition and the other transactions contemplated in the Agreement and the Company Ancillary Documents.

ARTICLE VII
CLOSING

Section 7.1 Closing. The Closing shall occur on the date hereof, or on such other date as the Parties may agree. The Closing shall take place at such place as the Parties may agree, via facsimile or electronic transmission of documents and signatures, or in such other manner as mutually agreed to by the parties hereto.

Section 7.2 Sellers' Closing Deliverables. At or prior to the Closing, the Sellers shall deliver, or cause to be delivered, to the Purchaser the following:

(a) each Certificate, endorsed for transfer or with corresponding transfer document executed for transfer;

(b) each completed W-9 Form in accordance with Section 2.3(c);

(c) the organizational record books, minute books and corporate seal, as applicable, of the Company;

(d) each of Dan R. Girard, Syed S. Ali, Syed Z. Ali, Edward Pustilnik shall have executed a non-competition agreement in substantially the form set forth on Exhibit 7.2(d)(2) (such agreements are collectively the "Seller Agreements");

(e) copies of a good standing certificate from the applicable Governmental Entity of the Company's jurisdiction of incorporation and each jurisdiction in which the Company is qualified to conduct business, dated a recent date prior to the Closing Date;

(f) in accordance with Section 6.4, resignations of the Company's directors, as applicable;

(g) Fully completed and irrevocable Section 338(h)(10) Elections which shall be filed in accordance with applicable regulations; and

(h) all other documents required to be entered into or delivered by the Company and the Sellers at or prior to Closing pursuant to the express terms of this Agreement.

Section 7.3 Purchaser Closing Deliverables. At or prior to the Closing, the Purchaser shall deliver, or cause to be delivered, the following:

(a) the Initial Purchase Price, paid in accordance with Section 2.2(a);

(b) the Seller Agreements, executed on behalf of the Company by the Purchaser;

(c) a certificate, executed by the Purchaser's secretary and dated as of the Closing Date, stating that the Board of Directors of the Purchaser has taken all necessary action to approve and authorize, including obtaining the approval of the Purchaser's banks "BMO Harris Bank N.A., MUFG Union Bank, N.A., Bank of America N.A., Citibank N.A. and U.S. Bank, N.A.", the Purchaser's performance of its obligations under this Agreement and the Purchaser Ancillary Documents to which it is a party and all actions required to be taken by the Purchaser pursuant hereto and thereto;

(d) a guaranty executed by Willdan Group, Inc. guaranteeing Purchaser's obligations under this Agreement; and

(e) all other documents required to be entered into or delivered by the Purchaser at or prior to Closing pursuant to the express terms of this Agreement.

ARTICLE VIII
INDEMNIFICATION

Section 8.1 Indemnification of the Purchaser Indemnified Parties. Subject to the other provisions of this Article VIII, from and after the Closing, the Sellers shall indemnify, reimburse, defend and hold harmless the Purchaser Indemnified Parties from and against any and all Damages incurred, resulting or arising from the following:

(a) any breach or inaccuracy of any representation or warranty made by the Sellers in Article III or Article IV this Agreement;

(b) any breach of any covenant, agreement or undertaking made by the Sellers in this Agreement or any Company Ancillary Document;

(c) Sellers' Transaction Expenses, to the extent not paid or accrued for at or prior to the Closing;

(d) notwithstanding any Knowledge qualifiers contained in any representations and warranties of the Sellers hereunder, any Liability or obligation for (i) any Taxes imposed on the Company with respect to any Pre-Closing Tax Period and the portion of any Straddle Period through and ending on the Closing Date, other than Taxes for which Sellers are entitled to be indemnified pursuant to Section 6.3 (provided, however, that the

Sellers shall have no liability for Taxes attributable to transactions or occurrences outside the Ordinary Course on the Closing Date after the Closing), (ii) any Taxes of any member of an affiliated, consolidated combined or unitary group of which the Company (or predecessor of the Company) was a member prior to the Closing, for which the Company is liable pursuant to Treasury Regulation Section 1.1502-6 or any analogous or similar state, local or foreign law or regulation, (iii) any Taxes of any Person (other than the Company) imposed on the Company as a transferee, successor or by Contract, when the events giving rise to such Taxes and to the Company's liability for such Taxes occurred prior to the Closing, (iv) any Taxes imposed upon any income or gain recognized by the Sellers or the Company with respect to the sale and purchase of the Shares pursuant to the provisions of this Agreement, and (v) any Transfer Taxes under California law; and

(e) any Liability or obligation incurred by the Company with respect to any of the Litigation disclosed or required to be disclosed in Schedule 3.12.

Notwithstanding anything to the contrary in this Agreement, Section 3.9(e) provides the sole and exclusive representations and warranties of the Sellers regarding Taxes for any Post-Closing Tax Period, and no breach or inaccuracy of any representation or warranty of any of the Sellers other than the representations and warranties set forth in Section 3.9(e) shall entitle any of the Purchaser Indemnified Parties to be indemnified or reimbursed with respect to any Taxes of any of the Purchaser Indemnified Parties relating to any Post-Closing Tax Period.

The Damages of the Purchaser Indemnified Parties described in this Section 8.1 as to which the Purchaser Indemnified Parties are entitled to indemnification are collectively referred to as "Purchaser Losses." The Sellers' liability with respect to Purchaser Losses shall be joint and several among the Sellers, other than Purchaser Losses incurred, resulting or arising from any breach or inaccuracy of any representation or warranty made by the Sellers in Article IV of this Agreement, which shall be several for all Sellers.

Section 8.2 Indemnification of the Seller Indemnified Parties. Subject to the other provisions of this Article VIII, from and after the Closing, the Purchaser shall indemnify, reimburse, defend and hold harmless the Seller Indemnified Parties from and against any and all Damages incurred, resulting or arising from the following:

(a) any breach of any representation or warranty made by the Purchaser in this Agreement;

(b) any breach of any covenant, agreement or undertaking made by the Purchaser in this Agreement or any Purchaser Ancillary Document and any breach by the Company of any covenant, agreement or undertaking in this Agreement or any Purchaser Ancillary Document required to be performed by the Company after the Closing;

(c) any Liability or obligation for (i) any Taxes imposed on the Company with respect to any periods after the Closing Date, including the portion of any Straddle Period after the Closing Date, (ii) any Taxes attributable to transactions or occurrences after the closing or outside the Ordinary Course on the Closing Date, (iii) any Taxes for which Sellers are entitled to be indemnified pursuant to Section 6.3; and

(d) Purchaser's Transaction Expenses.

The Damages of the Seller Indemnified Parties described in this Section 8.2 as to which the Seller Indemnified Parties are entitled to indemnification are collectively referred to as "Seller Losses."

Section 8.3 Indemnification Procedure. A party making a claim for indemnification under Section 8.1 or Section 8.2 shall be referred to as an "Indemnified Party" and a party against whom such claim for indemnification is asserted under Section 8.1 or Section 8.2 shall be referred to as an "Indemnifying Party." All claims by any Indemnified Party under Section 8.1 or Section 8.2 shall be asserted and resolved as follows:

(a) In the event that (i) any action, application, suit, demand, claim or legal, administrative, arbitration or other alternative dispute resolution proceeding, hearing or investigation (each, a "Proceeding") is asserted or instituted by any Person other than the Parties or their Affiliates which could give rise to Damages for which an Indemnifying Party could be liable to an Indemnified Party under this Agreement (such Proceeding, a "Third Party Claim"), or (ii) any Indemnified Party shall have a claim to be indemnified by any Indemnifying Party under this Agreement which does not involve a Third Party Claim (such claim, a "Direct Claim" and, together with Third Party Claims, "Indemnification Claims"), the Indemnified Party shall, promptly after it becomes aware of a Third Party Claim (and in any event, within fourteen (14) days) or facts supporting a Direct Claim, send to the Indemnifying Party a written notice specifying the nature of such Indemnification Claim, and, if practicable, the amount or estimated amount thereof (a "Claim Notice"), together with copies of all notices and documents served on or received by the Indemnified Party in the case of a Third Party Claim, provided that a delay in notifying the Indemnifying Party (or delivering copies of the aforementioned notices and documents) shall not relieve the Indemnifying Party of its obligations under Section 8.1, Section 8.2 or Section 8.3 except to the extent that (and only to the extent that) the Indemnifying Party shall have been materially prejudiced by such delay, in which case the Indemnifying Party shall be relieved of its obligations under Section 8.1, Section 8.2 or Section 8.3 only to the extent of such material prejudice.

(b) In the event of a Third Party Claim, the Indemnifying Party shall, at its sole cost and expense, have the right to defend against and direct the defense of such Third Party Claim and the Indemnifying Party shall be entitled to be represented by counsel of the Indemnifying Party's choice at the expense of the Indemnifying Party in connection with such Proceeding, provided that such counsel is acceptable to the Indemnified Party (which acceptance shall not be unreasonably withheld, delayed or conditioned). If the Indemnifying Party elects to defend against and direct the defense of any Third Party Claim, it shall within fourteen (14) days (or sooner, if the nature of the Third Party Claim so requires) (the "Dispute Period") notify the Indemnified Party of its intent to do so, provided that the Indemnifying Party must conduct its defense of the Third Party Claim actively and diligently thereafter in order to preserve its rights in this regard. If the Indemnifying Party does not elect within the Dispute Period to defend against and direct the defense of any Third Party Claim or fails to notify the Indemnified Party of its election during the Dispute Period, the Indemnified Party may defend against and direct the defense

of such Third Party Claim. If the Indemnifying Party elects to defend against and direct the defense of such Third Party Claim and appoint counsel in connection therewith, (i) the Indemnifying Party shall use its commercially reasonable efforts to defend and protect the interests of the Indemnified Party with respect to such Third Party Claim, (ii) the Indemnified Party may participate, at its own cost and expense, in the defense of such Third Party Claim, and (iii) the Indemnified Party shall have the right to engage separate counsel in connection therewith, and the Indemnifying Party shall bear the reasonable fees, costs and expenses of such separate counsel if, and only if, (x) in the reasonable written opinion of counsel to the Indemnifying Party a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation necessary, (y) the Indemnifying Party requests that the Indemnified Party participate in such defense, or (z) the Indemnifying Party shall not have engaged counsel within a reasonable time (but not more than fifteen (15) days) after notice of the institution of such Third Party Claim is provided by the Indemnified Party to the Indemnifying Party. Except as provided in the preceding sentence, nothing in this Section 8.3 shall require the Indemnifying Party to be responsible for the fees and expenses of more than one law firm representing the Indemnified Party in any jurisdiction at any time in connection with the defense against a Third Party Claim. If reasonably requested by the Indemnifying Party, the Indemnified Party shall cooperate with the Indemnifying Party and its counsel in defending any Proceeding which the Indemnifying Party defends. Notwithstanding the foregoing, if a Third Party Claim (1) seeks the imposition of an Order that would materially restrict the future activity or conduct of the Indemnified Party or any of its Affiliates, or (2) seeks a finding or admission of a criminal violation by the Indemnified Party or any of its Affiliates, the Indemnified Party alone shall be entitled to contest and defend such claim in the first instance and, if the Indemnified Party does not contest such Third Party Claim, the Indemnifying Party shall then have the right to contest such Third Party Claim. No Third Party Claim may be settled or compromised, or offered to be settled or compromised, or a default permitted or an entry of any judgment consented to (each, a "Settlement") (A) by the Indemnifying Party without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, delayed or conditioned) if (1) such Settlement provides for injunctive or other nonmonetary relief affecting the Indemnified Party or (2) such Settlement does not include a general release of the Indemnified Party from liability with respect to such Third Party Claim, or (B) by the Indemnified Party without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, delayed or conditioned). For the avoidance of doubt, this Section 8.3(b) shall not apply to any Tax audit or other Tax proceeding addressed in Section 6.3(c).

(c) In the event of a Direct Claim, the Indemnifying Party shall notify the Indemnified Party within fourteen (14) days after receipt of a Claim Notice whether the Indemnifying Party disputes such Direct Claim.

(d) From and after the delivery of a Claim Notice under this Agreement, at the reasonable request of either Party, each Party shall grant the other and its Representatives reasonable access to the books, records, employees, Representatives and properties of such Party to the extent reasonably related to the matters to which the Claim Notice relates. All such access shall be granted during normal business hours and shall be granted under conditions which will not unreasonably interfere with the business and operations of each

Party. The Party requesting access will not, and shall use its reasonable best efforts to cause it Representatives not to, use (except in connection with such Claim Notice) or disclose to any third person other than the Party's Representatives (except as may be required by applicable Law) any information obtained pursuant to this Section 8.3(d) that is designated as confidential by the other Party. Notwithstanding the foregoing, neither Party shall have access to (i) any medical or other employee information that is contained in the personnel records of the other Party or its Affiliates and the disclosure of which would subject that Party or such Affiliate to risk of liability, (ii) any information that is subject of any attorney-client or other privilege in favor of the other Party or its Affiliates, or (iii) any information the disclosure of which would cause the other Party or any of its Affiliates to violate any applicable Law.

(e) After any final decision, judgment or award shall have been rendered by a Governmental Entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or a Settlement or arbitration shall have been consummated, or the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to an Indemnification Claim hereunder, the Indemnified Party shall forward to the Indemnifying Party notice of any sums determined or agreed to be due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall make prompt payment thereof by wire transfer within ten (10) Business Days after the date of such notice or, if required earlier, pursuant to the terms of the agreement reached with respect to the Indemnification Claim.

Section 8.4 Claims Period. The Claims Period shall be as follows:

(a) the representations and warranties of each Party shall survive the Closing until the date that is 18 months following the Closing Date; provided, however, that except as set forth in below, (i) the Claims Period for any Indefinite Purchaser Claim or Indefinite Seller Claim shall begin on the date hereof and continue indefinitely, and (ii) the Claims Period for any SOL Purchaser Claims shall survive the Closing until the date that is ninety (90) days following the expiration of the longest applicable statute of limitations (including any extension thereof agreed to by the Purchaser and the Seller Representative) applicable thereto;

(b) the Claims Period for any covenants, agreements or undertakings made by the Parties in this Agreement, any Company Ancillary Document or any Purchaser Ancillary Document, other than the indemnity in Section 8.2, shall survive the Closing in accordance with their express terms, except as set forth in subsection (c) immediately below; and

(c) the Claims Period for the covenants, agreements and undertakings set forth in Section 6.3 shall survive the Closing until the date that six (6) months following the longest applicable statute of limitations (including any extension thereof agreed to by the Purchaser and the Seller Representative) applicable thereto.

No claim or cause of action for indemnification under this Article VIII may be made following the expiration of the applicable Claims Period; it being understood that in the event notice of any claim for indemnification under this Article VIII shall have been given within the

applicable Claims Period, the representations, warranties, covenants or obligations that are the subject of such indemnification claim shall survive with respect to such indemnification claim until such time as such claim is fully and finally resolved, including by final non-appealable Order of a court of competent jurisdiction, even if the date of such full and final resolution occurs after the applicable Claims Period.

Section 8.5 Liability Limits. The Purchaser Indemnified Parties may not make a claim for indemnification under Section 8.1(a) or 8.1(b) for Purchaser Losses unless and until the aggregate amount of Purchaser Losses for which the Purchaser Indemnified Parties are entitled to seek indemnification under Sections 8.1(a) and 8.1(b) exceeds [REDACTED] (the "Deductible"), in which event the Purchaser Indemnified Parties shall be entitled to indemnification for all Purchaser Losses arising under Section 8.1(a) or 8.1(b) in excess of the Deductible; but in no event shall the aggregate amount of indemnification under Section 8.1 owed to the Purchaser Indemnified Parties exceed the lesser of (i) [REDACTED] and (ii) the amount of consideration actually received by the Sellers hereunder (the "Indemnification Cap"). Notwithstanding the foregoing, in no event shall (i) the Deductible apply to Purchaser Losses under Section 3.9 or (ii) the Deductible or the Indemnification Cap apply to any Indefinite Purchaser Claim. Damages with respect to all Indefinite Purchaser Claims shall not be counted against the Deductible and shall not be counted towards the Indemnification Cap; provided, however, in no event shall the aggregate amount of indemnification under Section 8.1 of any Seller exceed the Purchase Price actually received by such Seller.

Section 8.6 Set-Off Rights. Subject to the limitations and procedures of this Article VIII, the Sellers agree that any and all Purchaser Losses may be offset against the Earn-Out Payment to be made by Purchaser in accordance with Section 2.5 hereof.

Section 8.7 Limitation on Damages. Notwithstanding anything herein to the contrary, an Indemnified Party shall be deemed to have suffered Damages only to the extent that such party has not received any recovery or benefit (including insurance and net tax benefits) with respect thereto from any other party or Person (which insurance benefits such Person agrees to use its commercially reasonable efforts to obtain) or based on any Initial Purchase Price Adjustment; and if an Indemnified Party receives such a recovery or benefit after receipt of payment from the Indemnifying Party, then the amount of such recovery or benefit (but not exceeding the amount paid by the Indemnifying Party), net of reasonable expenses incurred in obtaining the recovery or benefit, shall be paid to the Indemnifying Party. Each Indemnified Party shall (and shall cause its Affiliates to) use commercially reasonable efforts to pursue all insurance claims available in order to minimize the Damages for which indemnification is provided under this Article VIII. In determining the amount of any recovery or benefit by an Indemnified Party, there shall be taken into account any insurance and tax benefit realized by such Indemnified Party after also giving effect to any indemnification payment and/or any Purchase Price adjustment received by such Indemnified Party. Notwithstanding anything herein to the contrary, no Person shall be entitled to indemnification or reimbursement under any provision of this Agreement for any amount to the extent such Person has been reimbursed for such amount under any other provision of this Agreement, any document executed or delivered in connection with this Agreement or otherwise.

Section 8.8 Treatment of Indemnity Payments. To the extent permitted under IRS guidelines, all payments made pursuant to Section 8.1 and Section 8.2 shall be deemed adjustments to the Purchase Price for tax purposes.

Section 8.9 Exclusive Remedy; Specific Performance. Each Party acknowledges and agrees that the foregoing indemnification provisions in this Article VIII shall be the sole and exclusive remedy after Closing with respect to any and all Damages incurred, resulting or arising under Section 8.1 and Section 8.2; provided, however that this Article VIII shall not prohibit specific performance or other equitable relief as described in this Section 8.9. Each Party hereby acknowledges that the rights of each Party to consummate the transactions contemplated hereby are special, unique and of extraordinary character and that, in the event that any Party violates or fails or refuses to perform any covenant or agreement made by it herein, the non-breaching Party may be without an adequate remedy at law. In the event that any Party violates or fails or refuses to perform any covenant or agreement made by such Party herein, the non-breaching Party may, subject to the terms hereof, institute and prosecute an action in any court of competent jurisdiction to enforce specific performances of such covenant or agreement or seek any other equitable relief.

ARTICLE IX
MISCELLANEOUS PROVISIONS

Section 9.1 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when personally delivered, or if sent by United States certified mail, return receipt requested, postage prepaid, shall be deemed duly given on delivery by the United States Postal Service, or if sent by electronic mail or receipted overnight courier services shall be deemed duly given on the Business Day received if received prior to 5:00 p.m. local time or on the following Business Day if received after 5:00 p.m. local time or on a non-Business Day, addressed to the respective Parties as follows:

To the Purchaser and after the Closing to the Company:	Willdan Energy Solutions 2401 E. Katella Ave. Suite 300 Anaheim, CA 92806 [REDACTED]
with a copy to (which shall not constitute notice):	Willdan Energy Solutions 2401 E. Katella Ave. Suite 300 Anaheim, CA 92806 [REDACTED]
To the Seller Representative and the Sellers:	As set forth on the signature pages hereto
with a copy to (which shall not constitute notice):	[REDACTED]

or to such other representative or at such other address as such Person may furnish to the other Party in writing.

Section 9.2 Schedules and Exhibits. The Schedules and Exhibits are hereby incorporated into this Agreement and are hereby made a part hereof as if set out in full herein.

Section 9.3 Assignment; Successors in Interest. No assignment or transfer by any Party of his or its rights and obligations hereunder shall be made except with the prior written consent of the other Party. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns, and any reference to a Party shall also be a reference to the successors and permitted assigns thereof.

Section 9.4 Captions. The titles, captions and table of contents contained herein are inserted herein only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof.

Section 9.5 Controlling Law; Amendment. This Agreement shall be governed by and construed and enforced in accordance with the internal Laws of the State of California without reference to choice of law rules. This Agreement may be amended or supplemented in any and all respects only by written agreement of the Parties.

Section 9.6 Submission to Jurisdiction. Each Party agrees that any legal action or other legal proceeding arising out of or relating to this Agreement or the enforcement of any provision of this Agreement or the transactions contemplated hereby shall be brought or otherwise commenced exclusively in any state or federal court located in the City of Wilmington, County of New Castle, State of Delaware. Each Party agrees to mediate any dispute arising out of or relating to this Agreement or the enforcement of any provision of this Agreement or the transactions contemplated hereby before resorting to litigation. Unless the Parties agree otherwise in writing, the mediation will be conducted through the City and County of Orange, California office of JAMS. A demand for mediation shall be served in writing on the other Party or Parties to this Agreement within a reasonable time after the dispute has arisen. A Party may file a legal proceeding in order to preserve the Party's rights with respect to the running of any statutes of limitations without violating the requirement of mediation, provided that mediation is commenced promptly and before the incurrence of significant legal fees or the undertaking of any discovery in connection with the legal proceeding. A dispute not resolved within ninety (90) days after submission to mediation shall be resolved by litigation. Each Party:

(i) expressly and irrevocably consents and submits to the jurisdiction of each state and federal court located in the City and County of Orange, State of California (and each appellate court located in the City and County of Orange, State of California) in connection with any such legal proceeding, including to enforce any Order or award;

(ii) consents to service of process in any such proceeding in any manner permitted by the laws of the State of California, and agrees that service of process by registered or certified mail, return receipt requested, at its address specified pursuant to Section 9.1 is reasonably calculated to give actual notice;

(iii) agrees that each state and federal court located in the City and County of Orange, State of California shall be deemed to be a convenient forum;

(iv) waives and agrees not to assert (by way of motion, as a defense or otherwise), in any such legal proceeding commenced in any state or federal court located in the City and County of Orange, State of California, any claim that such Party is not subject personally to the jurisdiction of such court, that such legal proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Agreement or the subject matter hereof or thereof may not be enforced in or by such court; and

(v) agrees to the entry of an Order to enforce any Order or award made pursuant to this Section 9.6 by the state and federal courts located in the City and County of Orange, State of California and in connection therewith hereby waives, and agrees not to assert by way of motion, as a defense, or otherwise, any claim that such resolution, settlement, Order or award is inconsistent with or violative of the laws or public policy of the laws of the State of California or any other jurisdiction.

Section 9.7 Severability. Any provision hereof that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by Law, each Party hereby waives any provision of Law that renders any such provision prohibited or unenforceable in any respect.

Section 9.8 Disclosure Schedule. All section headings in the Disclosure Schedule correspond to the sections of this Agreement, but information provided in any section of the Disclosure Schedule shall constitute disclosure for purposes of each section of this Agreement where such information is relevant. Unless the context otherwise requires, all capitalized terms used in the Disclosure Schedule shall have the respective meanings assigned to such terms in this Agreement. Certain information set forth in the Disclosure Schedule is included solely for informational purposes, and may not be required to be disclosed pursuant to this Agreement. No disclosure in the Disclosure Schedule relating to any possible breach or violation of any agreement or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. The inclusion of any information in the Disclosure Schedule shall not be deemed to be an admission or acknowledgment by the Sellers that in and of itself, such information is material to or outside the ordinary course of the business or is required to be disclosed on the Disclosure Schedule. No disclosure in the Disclosure Schedule shall be deemed to create any rights in any third party.

Section 9.10 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement or the terms hereof to produce or account for more than one of such counterparts. This Agreement may be executed and delivered by facsimile or other electronic transmission.

Section 9.11 Parties in Interest. Nothing expressed or implied herein is intended, or shall be construed, to confer upon or give any Person other than the Parties, and their successors or permitted assigns (and with respect to the indemnification provided for in Article VIII only, the

Purchaser Indemnified Parties and the Seller Indemnified Parties) any right, remedy, obligation or liability under or by reason of this Agreement, or result in such Person being deemed a third-party beneficiary hereof.

Section 9.12 Waiver. Any agreement on the part of a Party to any extension or waiver of any provision hereof shall be valid only if set forth in an instrument in writing signed on behalf of such Party. A waiver by a Party of the performance of any covenant, agreement, obligation, condition, representation or warranty shall not be construed as a waiver of any other covenant, agreement, obligation, condition, representation or warranty. A waiver by any Party of the performance of any act shall not constitute a waiver of the performance of any other act or an identical act required to be performed at a later time.

Section 9.13 Integration. This Agreement and the other documents executed pursuant hereto supersede all negotiations, agreements and understandings among the Parties with respect to the subject matter hereof and constitute the entire agreement among the Parties with respect thereto.

Section 9.14 Prevailing Party. In the event of any Litigation between the Parties, the prevailing Party in such Litigation shall be entitled to receive from the non-prevailing Party all fees, costs and expenses, including reasonable attorney's fees and court costs, incurred in such Proceeding; provided that if a party prevails in part, and loses in part, in such Litigation, the court, arbitrator or other adjudicator presiding over such Litigation shall award a reimbursement of the fees, costs and expenses incurred by the prevailing on an equitable basis.

Section 9.15 Seller Representative.

(a) By the execution and delivery of this Agreement, including counterparts thereof, each Seller hereby irrevocably constitutes and appoints Dan R. Girard (the "Seller Representative"), and the Seller Representative hereby accepts such appointment, as the true and lawful agent and attorney-in-fact of such Seller with full powers of substitution to act in the name, place and stead of such Seller with respect to the performance on behalf of such Seller under the terms and provisions hereof and to do or refrain from doing all such further acts and things, and to execute all such documents, as the Seller Representative shall deem necessary or appropriate in connection with any transaction contemplated hereunder, including the power to:

(i) act for such Seller, if applicable, with respect to all indemnification matters referred to herein, including the right to compromise or settle any such claim on behalf of such Seller;

(ii) amend or waive any provision hereof in any manner;

(iii) employ, obtain and rely upon the advice of legal counsel, accountants and other professional advisors as the Seller Representative, in the sole discretion thereof, deems necessary or advisable in the performance of his duties as the Seller Representative;

(iv) act for such Seller with respect to all Initial Purchase Price matters, including any adjustments thereto, and all earn-out matters;

(v) incur any expenses, liquidate and withhold assets received on behalf of such Seller prior to their distribution to such Seller to the extent of any amount that the Seller Representative deems necessary for the payment of or as a reserve against expenses, and pay such expenses or deposit the same in an interest-bearing bank account established for such purpose;

(vi) receive all notices, service of process, communications and deliveries hereunder on behalf of such Seller; and

(vii) do or refrain from doing any further act or deed on behalf of such Seller that the Seller Representative deems necessary or appropriate, in the sole discretion of the Seller Representative, relating to the subject matter hereof as fully and completely as such Seller could do if personally present and acting and as though any reference to such Seller herein was a reference to the Seller Representative.

(b) Any Person may conclusively and absolutely rely, without inquiry, upon any action of the Seller Representative as the act of such Seller in all matters referred to herein.

(c) The Seller Representative shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (i) the Seller Representative shall not be subject to any fiduciary or other implied duties with respect to any Seller; (ii) the Seller Representative shall not have any duty to take any discretionary action or exercise any discretionary powers, and (iii) except as expressly set forth herein, the Seller Representative shall not have any duty to disclose, and shall not be liable for the failure to disclose to any Seller, any information relating to Purchaser, this Agreement or the transaction contemplated hereunder except as specifically required herein or in any other agreement, including but not limited to any information obtained by the Seller Representative in his capacity as a Seller. The Seller Representative shall not be liable for any action taken or not taken by him in the absence of his own gross negligence or willful misconduct

(d) The Seller Representative may resign at any time, and may be removed for any reason or no reason by the vote or written consent of a majority of the Sellers (the "Majority Sellers"); *provided, however*, in no event shall Seller Representative resign or be removed without the Majority Sellers having first appointed a new Seller Representative who shall assume such duties immediately upon the resignation or removal of Seller Representative. In the event of the death, incapacity, resignation, or removal of Seller Representative, a new Seller Representative shall be appointed by the vote or written consent of the Majority Sellers. Notice of such vote or a copy of the written consent appointing such new Seller Representative shall be sent to the Purchaser, such appointment to be effective upon the later of the date indicated in such consent or the date such notice is received by Buyer; *provided,* that until such notice is received, Buyer shall be entitled to rely on the decisions and actions of the prior Seller Representative.

(e) Nothing contained in this Section 9.15 shall limit the ability of the Sellers to enter into a separate agreement setting forth the obligations of the Seller Representative to the Sellers.

(f) The Purchaser acknowledges and agrees that except for his liability as a Seller hereunder, no Seller shall have any additional liability under this Agreement due to the appointment of such Seller as the Seller Representative.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first above written.

THE PURCHASER:

WILLDAN ENERGY SOLUTIONS

By: /s/ Mike Bieber
Name: Mike Bieber
Title: Chairman and Chief Executive Officer

WILLDAN

WILLDAN GROUP, INC.

By: /s/ Mike Bieber

Name: Mike Bieber
Title: Chief Executive Officer

SELLER REPRESENTATIVE:

/s/ [REDACTED]
By: [REDACTED]

Address:

Email:

SELLERS:

/s/ [REDACTED]
By: [REDACTED]

Address:

Email:

/s/ [REDACTED]
By: [REDACTED]

Address:

Email:

/**s**/ [REDACTED]
By: [REDACTED]

Address:

Email:

/**s**/ [REDACTED]
By: [REDACTED]

Address:

Email:

Exhibit 10.1

EXECUTION VERSION

AMENDED AND RESTATED CREDIT AGREEMENT

DATED AS OF MAY 5, 2025,

AMONG

WILLDAN GROUP, INC.,
as the Borrower,

THE GUARANTORS FROM TIME TO TIME PARTY HERETO,

THE LENDERS FROM TIME TO TIME PARTY HERETO,

AND

BMO BANK N.A.,
as Administrative Agent

BMO CAPITAL MARKETS CORP., AS JOINT LEAD ARRANGER AND JOINT BOOK RUNNER
BANK OF AMERICA, N.A., AS JOINT LEAD ARRANGER, JOINT BOOK RUNNER AND SYNDICATION AGENT
JPMORGAN CHASE BANK, N.A., AS JOINT LEAD ARRANGER, JOINT BOOK RUNNER AND SYNDICATION AGENT

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AMENDED AND RESTATED CREDIT AGREEMENT

This Amended and Restated Credit Agreement is entered into as of May 5, 2025, by and among Willdan Group, Inc., a Delaware corporation (the *"Borrower"*), the direct and indirect Subsidiaries of the Borrower from time to time party to this Agreement as Guarantors, the several financial institutions from time to time party to this Agreement as Lenders, and BMO Bank N.A., a national banking association, as Administrative Agent as provided herein.

PRELIMINARY STATEMENT

WHEREAS, pursuant to that certain Credit Agreement dated as of September 29, 2023 (as amended prior to the date hereof, without giving effect to the amendments and restatements set forth herein, the *"Existing Credit Agreement"*), by and among the Borrower, the Guarantors party thereto, the lenders party thereto and the Administrative Agent, the lenders thereunder made available to the Borrower, (a) a revolving facility (including letter of credit and swing line sub-facilities) and (b) a term loan, in each case, upon and subject to the terms and conditions set forth therein and for the purposes set forth therein;

WHEREAS, in connection with the foregoing and as an inducement for the Lenders to extend the credit contemplated hereunder, the Loan Parties agree to continue to secure all of the Secured Obligations by reaffirming and granting to, the Administrative Agent, for the benefit of the Lenders, a security interest in and lien upon substantially all of their Collateral, subject to Section 7.2 hereof.

WHEREAS, it is the intent of the parties hereto that this Agreement not constitute a novation of the obligations and liabilities of the parties under the Existing Credit Agreement, and the parties hereto hereby agree that all obligations under the Loan Documents (as amended prior to the Closing Date and in the Loan Documents) shall continue in full force and effect from and after the Closing Date, as amended hereby.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS; INTERPRETATION.

Section 1.1. Definitions . The following terms when used herein shall have the following meanings:

"Acquired Business" means the entity or assets acquired by the Borrower or another Loan Party in an Acquisition after the date hereof.

"Acquisition" means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or substantially all of the assets of a Person or of any business or division of a Person (in each case other than a Person that is a

Subsidiary), (b) the acquisition of in excess of 50% of the capital stock, partnership interests, membership interests or equity of any Person (other than a Person that is a Subsidiary), or otherwise causing any Person to become a Subsidiary, or (c) a merger or consolidation or any other combination with another Person (other than a Person that is a Subsidiary) provided that the Borrower or another Loan Party is the surviving entity.

"Adjusted EBITDA" means, with reference to any Test Period, EBITDA for such Test Period, *plus,* to the extent deducted in arriving at Net Income for such Test Period (as applicable), without duplication, (a) non-cash charges and other pro forma adjustments for such Test Period deducted in the determination of Net Income for such Test Period and reasonably acceptable to the Administrative Agent, *plus* (b) fees and expenses paid in connection with the execution and delivery by the Loan Parties of the Loan Documents, and any amendments thereto, including any non-cash unamortized charges incurred under the Amended and Restated Credit Agreement, *plus* (c) fees and expenses associated with investments permitted pursuant to Section 8.9 (including Permitted Acquisitions) whether or not such investment is consummated, in an aggregate amount not to exceed $1,000,000 in any Fiscal Year, *plus* (d) fees and expenses related to equity offerings of Borrower in an aggregate amount not to exceed $1,000,000 in any Fiscal Year, *plus* (e) all fees, costs, expenses, charges, losses and similar items incurred in connection with any Disposition, any issuance, incurrence, repayment or refinancing of Indebtedness, any discontinued operations and any casualty or condemnation event, *plus* (f) all unusual and/or non-recurring costs, expenses, charges, losses and similar items (excluding, in each case, costs, expenses, charges, losses and similar items resulting from or attributable to the Covid-19 pandemic) not to exceed 10% of Adjusted EBITDA (calculated before giving effect to this clause (f)) during any Test Period, *plus* (g) non-cash interest accretion expense and non-cash stock compensation expense; *minus,* to the extent included in the calculation of Net Income for such Test Period, without duplication, (h) all non-cash gains, *minus* (i) all unusual and/or non-recurring cash gains. Adjusted EBITDA shall be calculated on a pro forma basis giving effect to any Permitted Acquisition and any disposition of a Subsidiary or business segment during such Test Period or subsequent to such Test Period and prior to or simultaneously with the event for, or the date on, which such calculation is being made, calculated on a pro forma basis as if such Permitted Acquisition or disposition occurred at the beginning of the applicable Test Period, and including pro forma cost savings to the extent such cost savings are approved in the reasonable discretion of the Administrative Agent; *provided* that the aggregate amount of all such cost savings added back to EBITDA during any Test Period shall not exceed twenty percent (20%) of Adjusted EBITDA for such Test Period.

"Adjusted Term SOFR" means, for any Interest Period, the per annum rate equal to the sum of Term SOFR for such Interest Period plus 0.10% (10.0 basis points); *provided* that if the Adjusted Term SOFR as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

"Administrative Agent" means BMO Bank N.A., in its capacity as Administrative Agent hereunder, and any successor in such capacity pursuant to Section 10.6.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"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; *provided that*, in any event for purposes of this definition, any Person that owns, directly or indirectly, 5% or more of the securities having the ordinary voting power for the election of directors or governing body of a corporation or 5% or more of the partnership or other ownership interest of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person.

"Agreement" means this Amended and Restated Credit Agreement, as the same may be amended, modified, restated or supplemented from time to time pursuant to the terms hereof.

"Anti-Corruption Law" means the FCPA and any law, rule or regulation of any jurisdiction concerning or relating to bribery or corruption that are applicable to any Loan Party or any Subsidiary or Affiliate.

"Applicable Margin" means, with respect to Loans, Reimbursement Obligations, Letter of Credit Fees, and the commitment fees payable under Section 3.1(a), until the first Pricing Date, the rates per annum shown opposite Level II below, and thereafter from one Pricing Date to the next, the rates per annum determined in accordance with the following pricing grid below:

Level	Total Net Leverage Ratio for Such Pricing Date	Applicable Margin for Base Rate Loans and Reimbursement Obligations	Applicable Margin for SOFR Loans and Financial Letter of Credit Fees	Applicable Margin for Performance Letter of Credit Fees	Applicable Margin for Revolving Credit Commitment Fee and Delayed Draw Term Loan Commitment Fee shall be:
V	Greater than or equal to 2.50 to 1.0	1.50%	2.50%	1.875%	0.35%
IV	Less than 2.50 to 1.0, and greater than or equal to 2.00 to 1.0	1.25%	2.25%	1.6875%	0.30%
III	Less than 2.00 to 1.0, and greater than or equal to 1.50 to 1.0	1.00%	2.00%	1.50%	0.25%
II	Less than 1.50 to 1.0, and greater than or equal to 1.00 to 1.0	0.75%	1.75%	1.3125%	0.20%
I	Less than 1.00 to 1.0	0.50%	1.50%	1.125%	0.15%

For purposes hereof, the term "Pricing Date" means for any Fiscal Quarter of the Borrower ending on or after July 4, 2025, the date on which the Administrative Agent is in receipt of the

Borrower's most recent financial statements pursuant to Section 8.5(a) or (b), as applicable. The Applicable Margin shall be established based on the Total Net Leverage Ratio for the most recently completed Fiscal Quarter and the Applicable Margin established on a Pricing Date shall remain in effect until the next Pricing Date. If the Borrower has not delivered its financial statements by the date such financial statements are required to be delivered under Section 8.5(a) or (b), until such financial statements are delivered, the Applicable Margin shall be the highest Applicable Margin (i.e., Level V of the pricing grid above shall apply). If the Borrower subsequently delivers such financial statements before the next Pricing Date, the Applicable Margin shall be determined on the date of delivery of such financial statements and remain in effect until the next Pricing Date. In all other circumstances, the Applicable Margin shall be in effect from the Pricing Date that occurs immediately after the end of the Fiscal Quarter covered by such financial statements until the next Pricing Date. Each determination of the Applicable Margin made by the Administrative Agent in accordance with the foregoing shall be conclusive and binding on the Borrower and the Lenders if reasonably determined. Notwithstanding the foregoing, in the event that any financial statement or compliance certificate delivered pursuant to Sections 8.5(a), (b) or (h) is inaccurate, and such inaccuracy, if corrected, would have led to the imposition of a higher Applicable Margin for any period than the Applicable Margin applied for that period, then (A) the Borrower shall immediately deliver to the Administrative Agent a corrected financial statement and a corrected compliance certificate for that period (the "Corrected Financials Date"), (B) the Applicable Margin shall be determined based on the corrected compliance certificate for that period, and (C) the Borrower shall immediately pay to the Administrative Agent (for the account of the Lenders that hold the Commitments and Loans at the time such payment is received, regardless of whether those Lenders held the Commitments and Loans during the relevant period) the accrued additional interest owing as a result of such increased Applicable Margin for that period; provided, for the avoidance of doubt, such deficiency shall be due and payable as at such Corrected Financials Date and no Default under Section 9.1(a) shall be deemed to have occur with respect to such deficiency prior to such date. This paragraph shall not limit the rights of the Administrative Agent or the Lenders with respect to Section 2.9 and Section 9 hereof and shall survive the termination of this Agreement until the payment in full in cash of the Obligations.

"Application" is defined in Section 2.3(b).

"Approved Fund" means any Fund 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.

"Assigned Accounts" is defined in Section 12.2.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 13.2(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit H or any other form approved by the Administrative Agent.

"Authorized Representative" means those persons shown on the list of officers provided by the Borrower pursuant to Section 7.2 or on any update of any such list provided by the Borrower

to the Administrative Agent, or any further or different officers of the Borrower so named by any Authorized Representative of the Borrower in a written notice to the Administrative Agent.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 4.3(b)(iv).

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank Product Obligations" of the Loan Parties means any and all of their obligations, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Bank Products.

"Bank Products" means each and any of the following bank products and services provided to any Loan Party by the Administrative Agent, any Lender or any of their respective Affiliates (or by a Person that was the Administrative Agent, a Lender or an Affiliate of the Administrative Agent or a Lender on the Closing Date or the date the agreement evidencing such Bank Product was entered into): (a) credit or charge cards for commercial customers (including, without limitation, "commercial credit cards" and purchasing cards), (b) stored value cards, and (c) depository, cash management, and treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts, interstate depository network services and merchant processing services).

"Base Rate" means, for any day, the rate per annum equal to the greatest of: (a) the rate of interest announced or otherwise established by the Administrative Agent from time to time as its prime commercial rate as in effect on such day, with any change in the Base Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate (it being acknowledged and agreed that such rate may not change more than once per day and may not be the Administrative Agent's best or lowest rate), (b) the sum of (i) the Federal Funds Rate for such day, *plus* (ii) 1/2 of 1%, or (c) Adjusted Term SOFR for a one-

month tenor in effect on such day *plus* 1.00%. Any change in the Base Rate due to a change in the prime rate, the Federal Funds Rate or Adjusted Term SOFR, as applicable, shall be effective from and including the effective date of the change in such rate. If the Base Rate is being used as an alternative rate of interest pursuant to Section 4.3, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above, *provided* that if the Base Rate as determined above shall ever be less than the Floor, then Base Rate shall be deemed to be the Floor.

"Base Rate Loan" means a Loan bearing interest at a rate specified in Section 2.4(a).

"Benchmark" means, initially, the Term SOFR Reference Rate; *provided* that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 4.3(b).

"Benchmark Replacement" means, either of the following to the extent selected by Administrative Agent in its sole discretion:

(a) the sum of (i) Daily Simple SOFR and (ii) 0.10%; or

(b) the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated syndicated credit facilities.

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; *provided*, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely as of a specific date, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the FRB, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely as of a specific date, *provided* that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means the period (if any) (a) beginning at the time that a Benchmark Replacement Date pursuant to clause (a) or (b) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.3(b) and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.3(b).

"Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise) for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and incorporated in accordance with, 12 U.S.C. 1841(k)) of such party.

"Bonding Agreement" means, collectively, all contractual arrangements entered into by the Borrower or any of its Subsidiaries with providers of bid, performance or payment bonds.

"Bonds" means, collectively, all bonds issued by any Surety pursuant to a Bonding Agreement.

"Borrower" is defined in the introductory paragraph of this Agreement.

"Borrowing" means the total of Loans of a single type advanced, continued for an additional Interest Period, or converted from a different type into such type by the Lenders under a Facility on a single date and, in the case of SOFR Loans, for a single Interest Period. Borrowings of Loans are made and maintained ratably from each of the Lenders under a Facility according to their Percentages of such Facility. A Borrowing is *"advanced"* on the day Lenders advance funds comprising such Borrowing to the Borrower, is *"continued"* on the date a new Interest Period for

the same type of Loans commences for such Borrowing, and is *"converted"* when such Borrowing is changed from one type of Loans to the other, all as determined pursuant to Section 2.6. Borrowings of Swingline Loans are made by the Swingline Lender in accordance with the procedures set forth in Section 2.2(b).

"Business Day" means any day (other than a Saturday or Sunday) on which banks are not authorized or required to close in Chicago, Illinois.

"Capital Expenditures" means, with respect to any Person for any period, the aggregate amount of all expenditures (whether paid in cash or accrued as a liability) by such Person during that period for the acquisition or leasing (pursuant to a Capital Lease) of fixed or capital assets or additions to property, plant, or equipment (including replacements, capitalized repairs, and improvements) which should be capitalized on the balance sheet of such Person in accordance with GAAP; provided that the following shall be excluded from the foregoing: **(**i) expenditures incurred in connection with Permitted Acquisitions or incurred by the Person acquired in a Permitted Acquisition prior to the closing of such Permitted Acquisition; (ii) subject to compliance with Section 2.8(b)(ii) hereof to the extent applicable, capital expenditures in respect of the reinvestment of any insurance proceeds (or other similar recoveries, including indemnification payments) paid on account of any loss or damage, or arising from the taking by eminent domain or condemnation, or made with cash proceeds of dispositions; and (iii) expenditures made with cash proceeds from any issuances of Capital Stock of the Borrower or contributions of capital made to the Borrower.

"Capital Lease" means any lease of Property which in accordance with GAAP is required to be capitalized on the balance sheet of the lessee. Notwithstanding the foregoing or any other provision contained herein, other than for purposes of the preparation and delivery of financial statements as contemplated by this Agreement, any lease that would have been treated as an operating lease for purposes of GAAP as of December 14, 2018, and any lease entered into by the Borrower or any of its Subsidiaries after December 14, 2018 that would have been treated as an operating lease for purposes of GAAP if it was entered into as of December 14, 2018, shall be accounted for as an operating lease and not as a Capital Lease.

"Capitalized Lease Obligation" means, for any Person, the amount of the liability shown on the balance sheet of such Person in respect of a Capital Lease determined in accordance with GAAP.

"Cash Collateralize" means, to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of the L/C Issuer or Lenders, as collateral for L/C Obligations or obligations of Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances subject to a first priority perfected security interest in favor of the Administrative Agent or, if the Administrative Agent and each applicable L/C Issuer shall agree in their sole discretion, other credit support, in each case pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and each applicable L/C Issuer. *"Cash Collateral"* shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one (1) year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within one (1) year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody's, (c) commercial paper maturing within one (1) year from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's, (d) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances maturing within one (1) year from the date of acquisition thereof issued by any bank organized under the laws of the United States or any state thereof or the District of Columbia having at the date of acquisition thereof combined capital and surplus of not less than $250,000,000, (e) deposit accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is fully insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and surplus of not less than $250,000,000, having a term of not more than seven (7) days, with respect to securities satisfying the criteria in clauses (a) or (d) above, *provided* all such agreements require physical delivery of the securities securing such repurchase agreement, except those delivered through the Federal Reserve Book Entry System, and (g) investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (f) above.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or 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 shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means any of (a) any "person" or "group" (as such terms are used in sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended, but excluding any employee benefit plan of such person or its Subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of 25% or more of the equity interests of the Borrower entitled to vote for members of the board of directors

or equivalent governing body of the Borrower on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right); (b) during any 24 month period, a majority of the members of the board of directors (or similar equivalent governing body) of the Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of the board of directors (or similar governing body) (such approval by a specific vote or by approval of the Borrower's proxy statement, as applicable); or (c) any "Change of Control" (or words of like import), as defined in any agreement or indenture relating to any issue of Material Indebtedness of any Loan Party or any Subsidiary of a Loan Party, shall occur.

"Closing Date" means the date of this Agreement or such later Business Day upon which each condition described in Section 7.2 shall be satisfied or waived in a manner acceptable to the Administrative Agent in its discretion.

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

"Collateral" means all properties, rights, interests, and privileges from time to time subject to the Liens granted to the Administrative Agent, or any security trustee therefor, by the Collateral Documents.

"Collateral Access Agreement" means any landlord waiver, warehouse, processor or other bailee letter or other agreement, in form and substance reasonably satisfactory to the Administrative Agent, between the Administrative Agent and any third party (including any bailee, consignee, customs broker, or other similar Person) in possession of any Collateral or any landlord of the Borrower or any Subsidiary for any real property where any Collateral is located, as such landlord waiver, bailee letter or other agreement may be amended, restated, or otherwise modified from time to time.

"Collateral Account" is defined in Section 9.4.

"Collateral Documents" means the Mortgages, the Security Agreement, the Master Reaffirmation Agreement and all other mortgages, deeds of trust, security agreements, pledge agreements, assignments, financing statements, control agreements, and other documents as shall from time to time secure or relate to the Secured Obligations or any part thereof.

"Commitments" means the Revolving Credit Commitments, the Term A Loan Commitments, and the Delayed Draw Term Loan Commitments.

"*Commodity Exchange Act*" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Conforming Changes" means with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period," the definition of "U.S. Government Securities Business Day", the timing and frequency of determining rates and making payments of interest, the timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent in good faith decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent in good faith decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines in good faith that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Constituent Documents" means, with respect to any Person, collectively and, in each case, together with any modification of any term thereof, (a) the articles of incorporation, certificate of incorporation, constitution or certificate of formation of such Person, (b) the bylaws, operating agreement or joint venture agreement of such Person, (c) any other constitutive, organizational or governing document of such Person, whether or not equivalent, and (d) any other document setting forth the manner of election or duties of the directors, officers or managing members of such Person or the designation, amount or relative rights, limitations and preferences of any Voting Stock of such Person.

"Construction Joint Venture" means an investment made in the ordinary course of business in connection with joint ventures (including legal entity joint ventures) or a similar pooling of efforts in respect of a specific project or series of related specific projects for a limited or fixed duration which is formed to conduct business of the type in which any Loan Party is presently engaged and which procures the services necessary to conduct its business (other than incidental services) through the owners of such joint venture or pooling of efforts or through subcontractors to the owners of such joint venture.

"*Continuing Lenders*" means those Lenders under the Existing Credit Agreement that are continuing as Lenders under this Agreement.

"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.

"Controlled Group" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with any Loan Party, are treated as a single employer under Section 414 of the Code.

"Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Party" is defined in Section 13.22 hereof.

"Credit Event" means the advancing of any Loan, or the issuance of, or extension of the expiration date or increase in the amount of, any Letter of Credit.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; *provided*, that if the Administrative Agent in good faith decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another comparable convention in its reasonable good faith discretion.

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

"Debtor Relief Plan" means a plan of reorganization or plan of liquidation pursuant to any Debtor Relief Laws.

"Default" means any event or condition which constitutes an Event of Default or any event or condition the occurrence of which would, with the passage of time or the giving of notice, or both, constitute an Event of Default.

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender" means, subject to Section 2.13(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, any L/C Issuer, the Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swingline Loans) within two (2) Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or any L/C Issuer or the Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a

condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, at any time after the Closing Date, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-in Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender 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 Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.13(b)) upon delivery of written notice of such determination to the Borrower, the L/C Issuer, the Swingline Lender and each Lender.

"Delayed Draw Term Loan" is defined in Section 2.1(b) and, as so defined, includes a Base Rate Loan or a SOFR Loan, each of which is a *"type"* of Delayed Draw Term Loan hereunder.

"Delayed Draw Term Loan Availability Period" means the period commencing on the Closing Date through and including the date that is twenty-four (24) calendar months following the Closing Date.

"Delayed Draw Term Loan Commitment" means, as to any Lender, the obligation of such Lender to make Delayed Draw Term Loans during the Delayed Draw Term Loan Availability Period in the principal amount not to exceed the amount set forth opposite such Lender's name on Schedule 2.1/2.2 attached hereto and made a part hereof, as the same may be reduced or modified at any time or from time to time pursuant to the terms hereof. The Borrower and the Lenders acknowledge and agree that the aggregate Delayed Draw Term Loan Commitments of the Lenders equal $50,000,000 on the Closing Date.

"Delayed Draw Term Loan Facility" means the credit facility for the Delayed Draw Term Loans.

"Delayed Draw Term Loan Maturity Date" means May 5, 2030.

"Delayed Draw Term Loan Percentage" means, for each Lender, the percentage of the Delayed Draw Term Loan Commitments represented by such Lender's Delayed Draw Term Loan Commitment or, if the Delayed Draw Term Loan Commitments have been terminated or have expired, the percentage held by such Lender of the aggregate principal amount of all Delayed Draw Term Loans then outstanding.

"Delayed Draw Term Note" is defined in Section 2.10(d).

"Designated Disbursement Account" means the account of the Borrower maintained with the Administrative Agent or its Affiliate and designated in writing to the Administrative Agent as the Borrower's Designated Disbursement Account (or such other account as the Borrower and the Administrative Agent may otherwise agree).

"Developmental Software Costs" means employee wages, applicable fringe benefits of a Loan Party, consulting fees and other direct costs incurred by a Loan Party, in each case, capitalized as work in process toward the completion of proprietary software products or new modules with expanded capabilities for enhancement of existing software products used in the management and administration of projects of a Loan Party or for sale to external customers of a Loan Party.

"Disposition" means the sale, lease, conveyance or other disposition of Property, other than (a) the sale or lease of inventory in the ordinary course of business, (b) the sale, transfer, lease or other disposition of Property of a Loan Party to another Loan Party in the ordinary course of its business and (c) solely for purposes of Section 2.8(b)(ii), the sale or transfer of accounts receivable, and any contract rights, equipment and materials related to such accounts receivable, pursuant to Section 8.10(g).

"Disqualified Institution" means, on any date, (i) those Persons identified by the Borrower to the Administrative Agent and the Lenders in writing prior to the Closing Date, (ii) Persons that are reasonably determined by the Borrower to be competitors (or Affiliates of competitors) of the Borrower or its Subsidiaries and which have been specifically identified by the Borrower to the Administrative Agent and the Lenders in writing prior to the Closing Date and (iii) any Affiliate of any of the foregoing Persons and any Affiliate of any Person referred to in the proviso below, to the extent such Affiliate (x) is clearly identifiable as an affiliate of such Person solely by similarity of such Affiliate's name and (y) is not a bona fide debt investment fund that is an Affiliate of such Person); *provided*, *however*, that the Borrower, by notice to the Administrative Agent and the Lenders after the Closing Date, shall be permitted to supplement from time to time in writing by name the list of Persons that are Disqualified Institutions to the extent that the Persons added by such supplements are competitors (or Affiliates of competitors) of the Borrower or its Subsidiaries (as reasonably determined by the Borrower), and each such supplement shall become effective three (3) Business Days after delivery thereof to the Administrative Agent and the Lenders (including through the Platform) in accordance with Section 13.1, but which shall not apply retroactively to disqualify any Persons that have previously acquired an assignment or participation interest in the Loans (but solely with respect to such Loans). It is understood and agreed that (i) the Administrative Agent shall have no responsibility or liability to determine or monitor whether any Lender or potential Lender is a Disqualified Institution, (ii) the Borrower's

failure to deliver such list (or supplement thereto) in accordance with Section 13.1 shall render such list (or supplement) not received and not effective and (iii) "Disqualified Institution" shall exclude any Person that the Borrower has designated as no longer being a "Disqualified Institution" by written notice delivered to the Administrative Agent from time to time in accordance with Section 13.1.

"Division" means, in reference to any Person which is an entity, the division of such Person into two (2) or more separate persons with the dividing person either continuing or terminating its existence as part of the division as contemplated under Section 18-217 of the Delaware Limited Liability Act for limited liability companies formed under Delaware law or any analogous action taken pursuant to any applicable law (of Delaware or any other jurisdiction) with respect to any corporation, limited liability company, partnership or other entity. The word "Divide", when capitalized shall have correlative meaning.

"DQ List" has the meaning specified in Section 13.2(f).

"Earn Out Obligations" means and includes any cash earn out obligations, performance payments or similar obligations of any Loan Party or any of their Subsidiaries to any sellers arising out of or in connection with an Acquisition, but excluding any working capital adjustments or payments for services or licenses provided by such sellers.

"EBITDA" means, with reference to any Test Period, (i) Net Income for such Test Period *plus* all amounts deducted in arriving at such Net Income amount in respect of (a) Interest Expense for such Test Period, (b) federal, state, and local income taxes for such Test Period, (c) depreciation of fixed assets and amortization of intangible assets for such Test Period.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 13.2(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 13.2(b)(iii)). For the avoidance of doubt, any Disqualified Institution is subject to Section 13.2(f).

"Eligible Line of Business" means any business engaged in as of the date of this Agreement by the Borrower or any of its Subsidiaries or any business reasonably related or substantially similar thereto.

"Environmental Claim" means any investigation, notice, violation, demand, allegation, action, suit, injunction, judgment, order, consent decree, penalty, fine, lien, proceeding or claim (whether administrative, judicial or private in nature) arising (a) pursuant to, or in connection with an actual or alleged violation of, any Environmental Law, (b) in connection with any Hazardous Material, (c) in connection with any abatement, removal, remedial, investigative, corrective or response action relating to a Hazardous Material, Environmental Law or order of a Governmental Authority or (d) from any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

"Environmental Law" means any current or future Legal Requirement pertaining to (a) the protection of health, safety and the indoor or outdoor environment, (b) the conservation, management, protection or use of natural resources and wildlife, (c) the protection or use of surface water or groundwater, (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, investigation, remediation or handling of, or exposure to, any Hazardous Material or (e) pollution (including any Release to air, land, surface water or groundwater), and any amendment, rule, regulation, order or directive issued thereunder.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, costs of compliance, penalties or indemnities), of any Loan Party or any Subsidiary of a Loan Party directly or indirectly resulting from or based upon (a) any actual or alleged 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 legally enforceable consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto, and the rules and regulations promulgated thereunder.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Event of Default" means any event or condition identified as such in Section 9.1.

"Event of Loss" means, with respect to any Property, any of the following: (a) any loss, destruction or damage of such Property or (b) any condemnation, seizure, or taking, by exercise of the power of eminent domain or otherwise, of such Property, or confiscation of such Property or the requisition of the use of such Property.

"Excess Cash Flow" means, with respect to any period, the amount (if any) by which (a) EBITDA (but determined for such purposes without giving effect to any unusual and infrequently occurring gains or losses) of the Borrower and its Subsidiaries during such period exceeds (b) the sum of (i) Interest Expense of the Borrower and its Subsidiaries payable in cash during such period, *plus* (ii) federal, state and local income taxes and tax distributions of the Borrower and its Subsidiaries payable in cash during such period, *plus* (iii) the aggregate amount of payments required to be made, and actually made, by the Borrower and its Subsidiaries during such period in respect of all principal on all Indebtedness (whether at maturity, as a result of mandatory sinking fund redemption, mandatory prepayment, acceleration or otherwise, but excluding payments made under the Revolving Facility (except to the extent accompanied by a permanent reduction of the Revolving Credit Commitments) and excluding prepayments of the Term Loans made under Section 2.8), *plus* (iv) the aggregate amount of Unfinanced Capital Expenditures made by the Borrower and its Subsidiaries during such period, *plus* (v) the aggregate amount of payments made in cash by the Borrower and its Subsidiaries during such period in respect of Permitted Acquisitions, except to the extent financed with the proceeds of long-term Indebtedness, *plus* (vi) the aggregate amount of Share Repurchases permitted under Section 8.12 that are made by the Borrower during such period, *plus* (vii) noncash items added in arriving at Net Income or EBITDA (other than the accrual of revenue in accordance with GAAP), *plus* (viii) cash losses, charges, expenses, costs and fees not deducted in the calculation of Net Income or EBITDA, *plus* (ix) cash committed or approved by the Borrower's board of directors during such period, or after such period and prior to the time of determination of Excess Cash Flow, to be used to make Capital Expenditures, Permitted Acquisitions and/or other investments permitted pursuant to Section 8.9 in the succeeding twelve months for which a binding agreement exists, *plus* (x) any increase in working capital (excluding cash and cash equivalents) during such period, *minus* (xi) any decrease in working capital (excluding cash and cash equivalents) during such period.

"Excluded Deposit Account" means (a) a deposit account the balance of which consists exclusively of (and is identified when established as an account established solely for the purposes of) (i) withheld income Taxes and federal, state, local or foreign employment Taxes in such amounts as are required in the reasonable judgment of a Loan Party to be paid to the Internal Revenue Service or any other U.S., federal, state or local or foreign government agencies within the following month with respect to employees of such Loan Party, (ii) amounts required to be paid over to an employee benefit plan pursuant to DOL Reg. Sec. 2510.3-102 on behalf of or for the benefit of employees of any Loan Party, (iii) amounts which are required to be pledged or otherwise provided as security pursuant to any requirement of any Governmental Authority or foreign pension requirement, (iv) amounts to be used to fund payroll obligations (including, but not limited to, amounts payable to any employment contracts between any Loan Party and their respective employees); and (b) other deposit accounts maintained in the ordinary course of business containing cash amounts that do not exceed at any time $100,000 for any such account and $250,000 in the aggregate for all such accounts under this clause (b), unless requested by the Administrative Agent after the occurrence and during the continuation of an Event of Default.

"Excluded Equity Issuances" means (a) the issuance by any Subsidiary of equity securities to the Borrower or any Guarantor, as applicable, (b) the issuance of equity securities by the Borrower to any Person that is an equity holder of the Borrower prior to such issuance (a "*Subject*

Holder") so long as such Subject Holder did not acquire any equity securities of the Borrower so as to become a Subject Holder concurrently with, or in contemplation of, the issuance of such equity securities to such Subject Holder, (c) the issuance of equity securities of the Borrower to directors, officers and employees of the Borrower and its Subsidiaries pursuant to employee stock option plans (or other employee incentive plans or other compensation arrangements) approved by the Borrower's Board of Directors, and (d) the issuance of equity securities of the Borrower in order to finance the purchase consideration (or a portion thereof) in connection with a Permitted Acquisition or Capital Expenditures.

"Excluded Property" means (a) any fee-owned real property with a fair market value of less than $500,000 in the aggregate, unless requested by the Administrative Agent after the occurrence and during the continuation of an Event of Default; (b) any leased real property; (c) any intent-to-use trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with the United States Patent and Trademark Office with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark application under applicable federal law; (d) any equipment securing purchase money indebtedness or Capitalized Lease Obligations if the granting of a Lien to any third party is prohibited by the agreement(s) setting forth the terms and conditions applicable to such Indebtedness but only if such Indebtedness and the Liens securing the same are permitted by Sections 8.7(b) and 8.8(d) of this Agreement, *provided* that if and when the prohibition which prevents the granting of a Lien in any such Property is removed, terminated or otherwise becomes unenforceable as a matter of law (including, without limitation, the termination of any such security interest resulting from the satisfaction of the Indebtedness secured thereby), and notwithstanding any previous release of Lien provided by the Administrative Agent requested with respect to any such Indebtedness, the Excluded Property will no longer include such Property and the Administrative Agent will be deemed to have, and at all times to have had, a security interest in such property and the Collateral will be deemed to include, and at all times to have included, such Property without further action or notice by any Person; (e) any permit or license issued to any Loan Party as the permit holder or licensee thereof or any lease to which any Loan Party is lessee thereof, in each case only to the extent and for so long as the terms of such permit, license, or lease effectively (after giving effect to Sections 9-406 through 9-409, inclusive, of the Uniform Commercial Code in the applicable state (or any successor provision or provisions) or any other applicable law) prohibit the creation by such Loan Party of a security interest in such permit, license, or lease in favor of the Administrative Agent or would result in an effective invalidation, termination or breach of the terms of any such permit, license or lease (after giving effect to Sections 9-406 through 9-409, inclusive, of the Uniform Commercial Code in the applicable state (or any successor provision or provisions) or any other applicable law), in each case unless and until any required consents are obtained, *provided* that the Excluded Property will not include, and the Collateral shall include and the security interest granted in the Collateral shall attach to, (x) all proceeds, substitutions or replacements of any such excluded items referred to herein unless such proceeds, substitutions or replacements would constitute excluded items hereunder, (y) all rights to payment due or to become due under any such excluded items referred to herein, and (z) if and when the prohibition which prevents the granting of a security interest in any such Property is removed, terminated, or otherwise becomes unenforceable as a matter of law, the Administrative Agent will be deemed to have, and at all times to have had, a security interest in such property, and the Collateral will be deemed to include, and

at all times to have included, such Property without further action or notice by any Person; (f) equity interests of any Foreign Subsidiary which, if granted, would cause a material adverse effect on the applicable Borrower's federal income tax liability, unless requested by the Administrative Agent after the occurrence and during the continuation of an Event of Default, *provided* that Excluded Property shall not include, and the Collateral shall include, (x) non-voting equity interests of a first-tier Foreign Subsidiary owned by any Loan Party and (y) voting equity interests of a first-tier Foreign Subsidiary owned by any Loan Party representing not more than 66% of the total voting power of all outstanding voting equity interests of such Foreign Subsidiary, with equity interests of such Foreign Subsidiary constituting "stock entitled to vote" within the meaning of Treasury regulation section 1.956-2(c)(2) being treated as voting equity interests of such Foreign Subsidiary for purposes of this clause (f); (g) Excluded Deposit Accounts; (h) equity interests of Inactive Subsidiaries, Factoring SPVs and Genesys Engineering, P.C.; and (i) cash deposits subject to a Lien (other than a Lien in favor of the Administrative Agent or any Lender) permitted under, and only to the extent contemplated by, Section 8.8.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason not to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.12) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 4.1 amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 4.1(g), and (d) any withholding Taxes imposed under FATCA.

"*Existing Credit Agreement*" is defined in the preliminary statements hereof.

"Existing Letters of Credit" means the letters of credit set forth on Schedule 1.1(a) hereto.

"Facility" means any of the Revolving Facility or any Term Loan Facility.

"Factoring SPV" means a special purpose vehicle that is set up solely for the purpose of selling or otherwise transferring accounts receivable and related assets in a factoring arrangement or similar transaction.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code

"FCPA" means the Foreign Corrupt Practices Act, 15 U.S.C. §§78dd-1, et seq.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent; *provided* that in no event shall the Federal Funds Rate be less than 0.00%.

"Financial Officer" of any Person means the chief executive officer, president, chief financial officer, principal accounting officer, treasurer or controller of such Person.

"Financial Standby Letters of Credit" shall mean letters of credit and bank guarantees in which the underlying performance being supported thereby is financial in nature, as determined by the L/C Issuer and the Administrative Agent, which determination shall be conclusive and binding upon the Borrower absent manifest error.

"Fiscal Month" means, subject to Schedule 1.1(b), for the first and second Fiscal Month in any Fiscal Quarter, a four-week period of the Borrower, and for the third Fiscal Month in any Fiscal Quarter, a five-week period of the Borrower, where such week begins on Saturday. For the sake of clarity, the last day of each Fiscal Month occurring prior to the Revolving Credit Termination Date shall be those dates set forth on Schedule 1.1(b), which schedule shall be updated by the Borrower from time to time upon request of the Administrative Agent.

"Fiscal Quarter" means, subject to Schedule 1.1(b), a three-Fiscal Month period of the Borrower. For the sake of clarity, the last day of each Fiscal Quarter occurring prior to the Revolving Credit Termination Date shall be those dates set forth on Schedule 1.1(b), which

schedule shall be updated by the Borrower from time to time upon request of the Administrative Agent.

"Fiscal Year" means, subject to Schedule 1.1(b), a four-Fiscal Quarter period of the Borrower, which period commences on the first Saturday after the last Fiscal Month of the Fiscal Year.

"Fixed Charge Coverage Ratio" means, as of the last day of any Test Period, the ratio of (i) Adjusted EBITDA for such Test Period, *less* Unfinanced Capital Expenditures during such Test Period, to (ii) Fixed Charges for such Test Period.

"Fixed Charges" means, with reference to any Test Period, the sum of (a) all scheduled payments of principal paid or required to be paid during such Test Period with respect to Indebtedness of the Borrower and its Subsidiaries (including, without limitation, amounts paid or required to be paid in cash during such Test Period with respect to Earn Out Obligations), (b) Interest Expense paid or required to be paid in cash during such Test Period, (c) federal, state, and local income taxes (and franchise taxes in lieu of income taxes) paid or required to be paid in cash by the Loan Parties and their Subsidiaries during such Test Period and (d) Restricted Payments (other than Restricted Payments permitted by Section 8.12(i)) paid in cash by the Borrower during such Test Period.

"Floor" means the rate per annum of interest equal to 0.00%.

"Foreign Lender" means a Lender that is not a U.S. Person.

"Foreign Subsidiary" means each Subsidiary that (a) is organized under the laws of a jurisdiction other than the United States of America or any state thereof or the District of Columbia, (b) conducts substantially all of its business outside of the United States of America, and (c) has substantially all of its assets outside of the United States of America.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to any L/C Issuer, such Defaulting Lender's Percentage of the outstanding L/C Obligations with respect to Letters of Credit issued by such L/C Issuer other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, and (b) with respect to the Swingline Lender, such Defaulting Lender's Percentage of outstanding Swingline Loans made by the Swingline Lender other than Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders.

"Fund" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GAAP" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), which are applicable to the circumstances as of the date of determination.

"Governmental Authority" means the government of the United States of America or any other nation, or of 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).

"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 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 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.

"Guarantors" means and includes each Subsidiary of the Borrower (other than any Inactive Subsidiary or any Factoring SPV), and the Borrower, in its capacity as a guarantor of the Secured Obligations of another Loan Party; *provided, however,* that unless otherwise required by the Administrative Agent during the existence of any Event of Default, a Foreign Subsidiary shall not be required to be a Guarantor hereunder if providing such Guaranty Agreement would cause a material adverse effect on the Borrower's federal income tax liability.

"Guaranty Agreements" means and includes the Guarantee of the Loan Parties provided for in Section 11 and any other guaranty agreement executed and delivered in order to guarantee the Secured Obligations or any part thereof in form and substance acceptable to the Administrative Agent.

"Hazardous Material" means any substance, chemical, compound, product, solid, gas, liquid, waste, byproduct, pollutant, contaminant or material which is hazardous, toxic, or a pollutant and includes, without limitation, (a) asbestos, polychlorinated biphenyls, per and polyfluoroalkyl substances and petroleum (including crude oil or any fraction thereof) and (b) any material classified or regulated as "hazardous," "toxic," or a "pollutant" or words of like import pursuant to an Environmental Law.

"Hazardous Material Activity" means any activity, event or occurrence involving a Hazardous Material, including, without limitation, the manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation, handling of or corrective or response action to any Hazardous Material.

"Hedging 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 any Loan Party or its Subsidiaries shall be a Hedging Agreement.

"Hedging Liability" means the liability of any Loan Party to the Administrative Agent, any Lender, or any of their respective Affiliates (or to any other counterparty that was the Administrative Agent, a Lender, or any of their respective Affiliates as of the date such Hedging Agreement is entered into) in respect of any Hedging Agreement as such Loan Party may from time to time enter into with any one or more of the Lenders party to this Agreement or their Affiliates, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor); *provided, however,* that, with respect to any Guarantor, Hedging Liability Guaranteed by such Guarantor shall exclude all Excluded Swap Obligations.

"Hostile Acquisition" means the acquisition of the capital stock or other equity interests of a Person through a tender offer or similar solicitation of the owners of such capital stock or other equity interests which has not been approved (prior to such acquisition) by resolutions of the board of directors of such Person or by similar action if such Person is not a corporation, or as to which such approval has been withdrawn.

"Inactive Subsidiary" means any Subsidiary of the Borrower which has no or only de minimis assets and business operations and generates no revenue. As of the Closing Date, the Inactive Subsidiaries are listed on Schedule 6.2.

"Increase" is defined in Section 2.15 hereof.

"Increase Date" is defined in Section 2.15 hereof.

"Incremental Amendment" is defined in Section 2.15 hereof.

"Incremental Term Loan" is defined in Section 2.15 hereof.

"Indebtedness" means for any Person (without duplication) (a) all indebtedness created, assumed or incurred in any manner by such Person representing money borrowed (including by the issuance of debt securities) and all obligations evidenced by notes, bonds, debentures or similar instruments, (b) all indebtedness for the deferred purchase price of property or services (including

Earn Out Obligations solely to the extent they have become due and remain unpaid, but excluding trade accounts payable arising in the ordinary course of business which are not more than one hundred eighty (180) days past due and retainage on subcontracts and project materials), (c) all indebtedness secured by any Lien upon Property of such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness, (d) all Capitalized Lease Obligations of such Person, (e) all obligations of such Person on or with respect to letters of credit, bankers' acceptances and other extensions of credit whether or not representing obligations for borrowed money, (f) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any equity interest in such Person or any other Person or any warrant, right or option to acquire such equity interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (g) all net obligations (determined as of any time based on the termination value thereof) of such Person under any interest rate, foreign currency, and/or commodity swap, exchange, cap, collar, floor, forward, future or option agreement, or any other similar interest rate, currency or commodity hedging arrangement, and (h) all Guarantees of such Person in respect of any of the foregoing. For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person.

"Indemnified Taxes" means (a) all Taxes other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Information" is defined in Section 13.20 hereof.

"Interest Expense" means, with reference to any Test Period, the sum of all interest charges (including imputed interest charges with respect to Capitalized Lease Obligations and all amortization of debt discount and expense) of the Borrower and its Subsidiaries for such Test Period determined on a consolidated basis in accordance with GAAP.

"Interest Payment Date" means (a) with respect to any SOFR Loan, the last day of each Interest Period with respect to such SOFR Loan and on the maturity date, (b) with respect to any Base Rate Loan (other than Swingline Loans), the last day of every calendar month and on the maturity date, and (c) as to any Swingline Loan, (i) bearing interest by reference to the Base Rate, the last day of every calendar month, and on the maturity date and (ii) bearing interest by reference to the Swingline Lender's Quoted Rate, the last day of the Interest Period with respect to such Swingline Loan, and on the maturity date.

"Interest Period" means the period commencing on the date a Borrowing of SOFR Loans or Swingline Loans (bearing interest at the Swingline Lender's Quoted Rate) is advanced, continued, or created by conversion and ending (a) in the case of SOFR Loans, one (1) month or three (3) months, thereafter and (b) in the case of Swingline Loans bearing interest at the Swingline

Lender's Quoted Rate, on a date thereafter mutually agreed to by the Borrower and the Swingline Lender, *provided, however,* that:

(i) no Interest Period shall extend beyond the final maturity date of the relevant Loans;

(ii) no Interest Period with respect to any portion of the Term Loans shall extend beyond a date on which the Borrower is required to make a scheduled payment of principal on such Term Loans unless the sum of (a) the aggregate principal amount of such Term Loans that are Base Rate Loans *plus* (b) the aggregate principal amount of such Term Loans that are SOFR Loans with Interest Periods expiring on or before such date equals or exceeds the principal amount to be paid on such Term Loans on such payment date;

(iii) whenever the last day of any Interest Period would otherwise be a day that is not a Business Day, the last day of such Interest Period shall be extended to the next succeeding Business Day, *provided* that, if such extension would cause the last day of an Interest Period for a Borrowing of SOFR Loans to occur in the following calendar month, the last day of such Interest Period shall be the immediately preceding Business Day; and

(iv) for purposes of determining an Interest Period for a Borrowing of SOFR Loans, a month means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month; *provided, however,* that if there is no numerically corresponding day in the month in which such an Interest Period is to end or if such an Interest Period begins on the last Business Day of a calendar month, then such Interest Period shall end on the last Business Day of the calendar month in which such Interest Period is to end.

"IRS" means the United States Internal Revenue Service.

"L/C Issuer" means BMO Bank N.A. or any one of its Affiliates, in its capacity as the issuer of Letters of Credit hereunder, or such other Lender requested by the Borrower (with such Lender's consent) and approved by the Administrative Agent in its sole discretion, in each case together with its successors in such capacity as provided in Section 2.3(h).

"L/C Obligations" means the aggregate undrawn face amounts of all outstanding Letters of Credit and all unpaid Reimbursement Obligations.

"L/C Sublimit" means $10,000,000, as reduced or otherwise amended pursuant to the terms hereof.

"Legal Requirement" means any treaty, convention, statute, law, common law, rule, regulation, ordinance, license, permit, governmental approval, injunction, judgment, order, consent decree or other requirement of any Governmental Authority, whether federal, state, or local.

"Lenders" means and includes BMO Bank N.A. and the other Persons listed on Schedule 2.1/2.2 and any other Person that shall have become party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. Unless the context requires otherwise, the term *"Lenders"* includes the Swingline Lender.

"Lending Office" is defined in Section 4.7.

"Letter of Credit" is defined in Section 2.3(a).

"Letter of Credit Fee" is defined in Section 3.1(b).

"Lien" means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

"Liquidity" means, with reference to any period, the aggregate amount of Unrestricted Cash of the Loan Parties and undrawn availability under any revolving credit facilities, including the Revolving Facility.

"Loan" means any Revolving Loan, Swingline Loan, or Term Loan, whether outstanding as a Base Rate Loan or SOFR Loan or otherwise, each of which is a *"type"* of Loan hereunder.

"Loan Documents" means this Agreement, the Notes (if any), the Applications, the Collateral Documents, the Guaranty Agreements, and each other instrument or document to be delivered hereunder or thereunder or otherwise in connection therewith.

"Loan Party" means the Borrower and each of the Guarantors.

"*Master Reaffirmation Agreement*" means that certain Master Reaffirmation Agreement dated as of the date of this Agreement among the Loan Parties and the Administrative Agent, as the same may be amended, modified, supplemented or restated from time to time.

"Material Adverse Effect" means (a) a material adverse change in, or material adverse effect upon, the operations, business, Property, or condition (financial or otherwise) of the Borrower or of the Loan Parties and their Subsidiaries taken as a whole, (b) a material impairment of the ability of any Loan Party to perform its obligations under any Loan Document or (c) a material adverse effect upon (i) the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document or the rights and remedies of the Administrative Agent and the Lenders thereunder or (ii) the perfection or priority of any Lien granted under any Collateral Document.

"Material Indebtedness" means Indebtedness (other than the Loans and Letters of Credit and excluding Indebtedness owed to the Borrower or any other Loan Party), or obligations in respect of one or more Hedging Agreements, of any one or more of the Loan Parties and its Subsidiaries in an aggregate principal amount exceeding $2,500,000. For purposes of determining

Material Indebtedness, the "obligations" of any Loan Party or any Subsidiary in respect of any Hedging Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that such Loan Party or such Subsidiary would be required to pay if such Hedging Agreement were terminated at such time.

"Minimum Collateral Amount" means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 105% of the Fronting Exposure of all L/C Issuers with respect to Letters of Credit issued and outstanding at such time and (b) otherwise, an equal or lesser amount determined by the Administrative Agent and the L/C Issuer in their sole discretion.

"Moody's" means Moody's Investors Service, Inc.

"Mortgages" means, collectively, each mortgage or deed of trust delivered to the Administrative Agent pursuant to Section 12.3, as the same may be amended, modified, supplemented or restated from time to time.

"Net Cash Proceeds" means, as applicable, (a) with respect to any Disposition by a Person, cash and cash equivalent proceeds received by or for such Person's account, net of (i) reasonable direct costs relating to such Disposition, (ii) sale, use, transfer or other transactional taxes paid or payable by such Person as a direct result of such Disposition, and (iii) the principal amount of any Indebtedness permitted hereby which is secured by a prior perfected Lien on the asset subject to such Disposition and is required to be repaid in connection with such Disposition, (b) with respect to any Event of Loss of a Person, cash and cash equivalent proceeds received by or for such Person's account (whether as a result of payments made under any applicable insurance policy therefor or in connection with condemnation proceedings or otherwise), net of reasonable direct costs incurred in connection with the collection of such proceeds, awards or other payments, and (c) with respect to any offering of equity securities of a Person or the issuance of any Indebtedness by a Person, cash and cash equivalent proceeds received by or for such Person's account, net of reasonable legal, underwriting, and other fees and expenses incurred as a direct result thereof.

"Net Income" means, with reference to any Test Period, the net income (or net loss) of the Borrower and its Subsidiaries for such Test Period computed on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded from Net Income (a) the net income (or net loss) of any Person accrued prior to the date it becomes a Subsidiary of, or has merged into or consolidated with, the Borrower or another Subsidiary, (b) the net income (or net loss) of any Person (other than a Subsidiary) in which the Borrower or any Subsidiary of the Borrower has an equity interest, except to the extent such income constitutes earned income and is actually received by the Borrower or such Subsidiary in the form of dividends or other distributions during such Test Period, and (c) the undistributed earnings of any Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary is not at the time permitted by the terms of any contractual obligation (other than under any Loan Document) or requirement of law applicable to such Subsidiary.

"Net Worth" means, for any Person and at any time the same is to be determined, total shareholder's equity (including capital stock, additional paid-in capital, and retained earnings after

deducting treasury stock) which would appear on the balance sheet of such Person in accordance with GAAP.

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all affected Lenders in accordance with the terms of Section 13.3 and (b) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Note" and *"Notes"* each is defined in Section 2.10.

"Obligations" means all obligations of the Borrower to pay principal and interest on the Loans, all Reimbursement Obligations owing under the Applications, all fees and charges payable hereunder, and all other payment obligations of the Borrower or any other Loan Party arising under or in relation to any Loan Document, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

"OFAC" means the United States Department of Treasury Office of Foreign Assets Control.

"OFAC Event" is defined in Section 8.15.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.12).

"Participant" is defined in clause (d) of Section 13.2.

"Participant Register" is defined in clause (d) of Section 13.2.

"Participating Interest" is defined in Section 2.3(e).

"Participating Lender" is defined in Section 2.3(e).

"PBGC" means the Pension Benefit Guaranty Corporation or any Person succeeding to any or all of its functions under ERISA.

"Percentage" means for any Lender its Revolver Percentage, Delayed Draw Term Loan Percentage or Term A Loan Percentage, as applicable; and where the term *"Percentage"* is applied on an aggregate basis (including, without limitation, Section 13.4(c)), such aggregate percentage shall be calculated by aggregating the separate components of the Revolver Percentage, Delayed Draw Term Loan Percentage and Term A Loan Percentage, and expressing such components on a single percentage basis.

"Performance Standby Letters of Credit" shall mean all standby letters of credit and bank guarantees other than Financial Standby Letters of Credit, as determined by the Administrative Agent and the L/C Issuer, which determination shall be conclusive and binding upon the Borrower, the Administrative Agent and the L/C Issuer absent manifest error.

"Permitted Acquisition" means any Acquisition with respect to which all of the following conditions shall have been satisfied:

(a) the Acquired Business is in an Eligible Line of Business and has its primary operations within the United States of America;

(b) such Acquisition shall be structured as (1) an asset acquisition by a Borrower or Guarantor of all or substantially all of the assets of the Person whose assets are being acquired (or all or substantially all of a line or lines of business of such Person), (2) a merger of the Person to be acquired and into a Borrower or a Guarantor, with such Borrower or Guarantor as the surviving corporation in such merger, or (3) a purchase of no less than 100% of the equity interests of the Person to be acquired by a Borrower or Guarantor;

(c) the Acquisition shall not be a Hostile Acquisition;

(d) the Borrower shall have notified the Administrative Agent not less than thirty (30) days (or such shorter period of time acceptable to the Administrative Agent) prior to any such Acquisition and furnished to the Administrative Agent at such time (i) details as to such Acquisition as are reasonably satisfactory to the Administrative Agent (including sources and uses of funds therefor) and (ii) audited financial statements of the Acquired Business or other financial statements of the Acquired Business as reasonably satisfactory to the Administrative Agent;

(e) if a new Subsidiary is formed or acquired as a result of or in connection with the Acquisition, the Borrower shall comply with the requirements of Sections 11 and 12 in connection therewith within the time periods set forth therein to the extent applicable;

(f) the Borrower shall have delivered to the Administrative Agent a certificate with covenant compliance calculations reasonably satisfactory to the Administrative Agent demonstrating that upon giving effect to the Acquisition, any concurrent repayment of

Indebtedness in connection therewith and any Credit Event in connection therewith, (i) no Default shall exist, and (ii) the Borrower is in compliance with the financial covenants contained in Section 8.23 on a pro forma basis (for the four (4) consecutive Fiscal Quarters most recently then ended for which financial statements required under Section 8.5 hereof have been delivered to the Administrative Agent as if the Acquisition occurred on the first day of such period and upon giving effect to the payment of the purchase price for the Acquired Business); *provided* that, in the case of the Total Net Leverage Ratio, the Total Net Leverage Ratio, upon giving effect to the Acquisition, any concurrent repayment of Indebtedness in connection therewith and any Credit Event in connection therewith, shall not be greater than 3.00 to 1.00 (or, if applicable, 3.25 to 1.00 to the extent a Total Net Leverage Ratio Adjustment is then in effect in accordance with Section 8.23(a)); and

(g) upon giving effect to the Acquisition and any Credit Event in connection therewith, the Borrower shall have not less than $15,000,000 of Liquidity;

(h) the Acquired Business must have positive Adjusted EBITDA including adjustments for pro forma cost savings to the extent such cost savings are approved in the reasonable discretion of the Administrative Agent for the twelve most recently completed calendar months; and

(i) any Earn Out Obligations or Seller Notes incurred in connection with such Acquisition shall be subordinated to the Secured Obligations hereunder in a manner reasonably satisfactory to the Administrative Agent.

"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 covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code that either (a) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group or (b) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"Premises" means the real property owned or leased by any Loan Party or any Subsidiary of a Loan Party, including without limitation the real property and improvements thereon owned by any Loan Party subject to the Lien of the Mortgages or any other Collateral Documents.

"Prepayment Percentage" is defined in Section 2.8(b)(v) hereof.

"Property" means, as to any Person, all types of real, personal, tangible, intangible or mixed property owned by such Person whether or not included in the most recent balance sheet of such Person and its subsidiaries under GAAP.

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" is defined in Section 13.22 hereof.

"*Qualified ECP Guarantor*" means, in respect of any Swap Obligation, each Loan Party that has total assets exceeding $10,000,000 at the time the relevant Guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Recipient" means (a) the Administrative Agent, (b) any Lender, and (c) any L/C Issuer, as applicable.

"Reimbursement Obligation" is defined in Section 2.3(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping, or disposing into the indoor or outdoor environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks or other receptacles containing or previously containing any Hazardous Material.

"Relevant Governmental Body" means the FRB and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the FRB and/or the Federal Reserve Bank of New York, or any successor thereto.

"Rescindable Amount" is defined in Section 5.1.

"Repurchase Conditions" means with respect to any purchase, redemption or other acquisition or retiring any of the Borrower's capital stock or other equity interests (as contemplated by Section 8.12 hereof) (each a *"Share Repurchase"*), the following conditions:

(i) upon giving effect to such Share Repurchase, the Borrower shall: (A) be in compliance with the financial covenants contained in Section 8.23 on a pro forma basis, calculated using the then prevailing financial covenant compliance levels permitted as of the last day of the most recently ended Fiscal Quarter for which financial statements were required to be delivered hereunder; provided that, in the case of the Total Net Leverage

Ratio, the Total Net Leverage Ratio, on a pro forma basis after giving effect to such Share Repurchase shall not be greater than the ratio equal to 3.00 to 1.00; and (B) have Liquidity of not less than $15,000,000;

(ii) no Default exists or would arise upon giving effect to such Share Repurchase; and

(iii) the Borrower shall have delivered a written certificate to the Administrative Agent in the form attached hereto as Exhibit J signed by a Financial Officer of the Borrower (or in such other form acceptable to the Administrative Agent) certifying that each of the Repurchase Conditions have been satisfied in connection with such Share Repurchase and setting forth in reasonable detail the calculations supporting such certifications in respect of clause (i) of this definition.

"Required Delayed Draw Term Loan Lenders" means, at any time, Lenders having Delayed Draw Term Loan Commitments (or, the aggregate principal amount at such time of its outstanding Delayed Draw Term Loans) representing more than 50% of the total Delayed Draw Term Loan Commitments of all Lenders (or, the aggregate principal amount at such time of its outstanding Delayed Draw Term Loans); *provided, however,* that at any time there are two or more non-affiliated Lenders having Delayed Draw Term Loan Commitments (or, the aggregate principal amount at such time of its outstanding Delayed Draw Term Loans), *"Required Delayed Draw Term Loan Lenders"* must include at least two non-affiliated Lenders with Delayed Draw Term Loan Commitments (or, the aggregate principal amount at such time of its outstanding Delayed Draw Term Loans). To the extent provided in the last paragraph of Section 13.3, the Delayed Draw Term Loan Commitment (or, the aggregate principal amount at such time of its outstanding Delayed Draw Term Loans) of any Defaulting Lender shall be disregarded in determining Required Delayed Draw Term Loan Lenders.

"Required Lenders" means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders; *provided, however,* that at any time there are two or more non-affiliated Lenders, *"Required Lenders"* must include at least two non-affiliated Lenders. To the extent provided in the last paragraph of Section 13.3, the Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders.

"Required Revolving Lenders" means, at any time, Lenders having Revolving Credit Commitments (or, if the Revolving Credit Commitments have been terminated or expired, Revolving Credit Exposures) representing more than 50% of the total Revolving Credit Commitments of all Lenders (or, if the Revolving Credit Commitments have been terminated or expired, Revolving Credit Exposures); *provided, however,* that at any time there are two or more non-affiliated Lenders having Revolving Credit Commitments (or, if the Revolving Credit Commitments have been terminated or expired, Revolving Credit Exposures), *"Required Revolving Lenders"* must include at least two non-affiliated Lenders with Revolving Credit Commitments (or, if the Revolving Credit Commitments have been terminated or expired, Revolving Credit Exposures). To the extent provided in the last paragraph of Section 13.3, the Revolving Credit Commitment (or, if the Revolving Credit Commitments have been terminated

or expired, Revolving Credit Exposure) of any Defaulting Lender shall be disregarded in determining Required Revolving Lenders.

"Resolution Authority" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"Responsible Officer" of any person means any executive officer or Financial Officer of such Person and any other officer, general partner or managing member or similar official thereof with responsibility for the administration of the obligations of such person in respect of this Agreement.

"*Restricted Payments*" is defined in Section 8.12 hereof.

"Revolver Percentage" means, for each Lender, the percentage of the total Revolving Credit Commitments represented by such Lender's Revolving Credit Commitment or, if the Revolving Credit Commitments have been terminated or expired, the percentage of the total Revolving Credit Exposure then outstanding held by such Lender.

"Revolving Credit Commitment" means, as to any Lender, the obligation of such Lender to make Revolving Loans and to participate in Swingline Loans and Letters of Credit issued for the account of the Borrower hereunder in an aggregate principal or face amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.1/2.2 attached hereto and made a part hereof, as the same may be reduced or modified at any time or from time to time pursuant to the terms hereof (including, without limitation, Section 2.15 hereof). The Borrower and the Lenders acknowledge and agree that the aggregate Revolving Credit Commitments of the Lenders equal $100,000,000 on the Closing Date.

"Revolving Credit Commitment Fee" is defined in Section 3.1(a) hereof.

"Revolving Credit Exposure" means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Lender's participation in L/C Obligations and Swingline Loans at such time.

"Revolving Credit Increase" is defined in Section 2.15 hereof.

"Revolving Credit Termination Date" means May 5, 2030, or such earlier date on which the Revolving Credit Commitments are terminated in whole pursuant to Section 2.11, 9.2 or 9.3.

"Revolving Facility" means the credit facility for making Revolving Loans and Swingline Loans and issuing Letters of Credit described in Sections 2.2 and 2.3.

"Revolving Loan" is defined in Section 2.2 and, as so defined, includes a Base Rate Loan or a SOFR Loan, each of which is a *"type"* of Revolving Loan hereunder.

"Revolving Note" is defined in Section 2.10.

"S&P" means S&P Global Ratings.

"Sanctions Programs" means all laws, regulations, and Executive Orders administered by OFAC, including without limitation, the Bank Secrecy Act, anti-money laundering laws (including, without limitation, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56 (a/k/a the USA Patriot Act)), and all economic and trade sanction programs administered by OFAC, any and all similar United States federal laws, regulations or Executive Orders (whether administered by OFAC or otherwise), any similar laws, regulations or orders adopted by any State within the United States, and all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by the United Nations Security Council, the European Union, any European Union member state or His Majesty's Treasury of the United Kingdom or other relevant sanctions authority.

"Secured Obligations" means the Obligations, Hedging Liability, and Bank Product Obligations, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired (including all interest, costs, fees, and charges after the entry of an order for relief against any Loan Party in a case under the United States Bankruptcy Code or any similar proceeding, whether or not such interest, costs, fees and charges would be an allowed claim against such Loan Party in any such proceeding); *provided, however,* that, with respect to any Guarantor, Secured Obligations Guaranteed by such Guarantor shall exclude all Excluded Swap Obligations.

"Security Agreement" means that certain Security Agreement dated as of September 29, 2023 among the Loan Parties and the Administrative Agent, as the same may be amended, modified, supplemented or restated from time to time.

"Seller Note" means any promissory note or notes issued by a Loan Party to the seller in respect of any Permitted Acquisition as partial consideration in connection with such Permitted Acquisition.

"Share Repurchase" is defined in the definition of *"Repurchase Conditions"*.

"SOFR" means a rate per annum equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Loan" means a Loan bearing interest based on Term SOFR, other than pursuant to clause (c) of the definition of "Base Rate.

"Subordinated Debt" means, collectively, (i) all Seller Notes and Earn Out Obligations permitted under Section 8.7(k) and (l), respectively, and (ii) all other Indebtedness which is subordinated in right of payment to the prior payment of the Secured Obligations pursuant to subordination provisions approved in writing by the Administrative Agent in its reasonable discretion and is otherwise pursuant to documentation that is, which is in an amount that is, and which contains interest rates, payment terms, maturities, amortization schedules, covenants,

defaults, remedies and other material terms that are in form and substance, in each case reasonably satisfactory to the Administrative Agent.

"Subsidiary" of a Person means any corporation, limited liability company, partnership, association or other entity (x) more than 50% of the outstanding Voting Stock of which is at the time directly or indirectly owned by or (y) that is otherwise under the Control of, such Person or by any one or more other entities which are themselves subsidiaries of such Person. Unless otherwise expressly noted herein, the term *"Subsidiary"* means a Subsidiary of the Borrower or of any of its direct or indirect Subsidiaries. As used in this definition, "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.

"Supported QFC" is defined in Section 13.22 hereof.

"Surety" means, collectively, any surety party to a Bonding Agreement.

"Swap Obligation" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Sweep Depositary" shall have the meaning set forth in the definition of Sweep to Loan Arrangement.

"Sweep to Loan Arrangement" means a cash management arrangement established by the Borrower with the Swingline Lender or an Affiliate of the Swingline Lender, as depositary (in such capacity, the *"Sweep Depositary"*), pursuant to which the Swingline Lender is authorized (a) to make advances of Swingline Loans hereunder, the proceeds of which are deposited by the Swingline Lender into a designated account of the Borrower maintained at the Sweep Depositary, and (b) to accept as prepayments of the Swingline Loans hereunder proceeds of excess targeted balances held in such designated account at the Sweep Depositary, which cash management arrangement is subject to such agreement(s) and on such terms acceptable to the Sweep Depositary and the Swingline Lender.

"Swingline" means the credit facility for making one or more Swingline Loans described in Section 2.2(b).

"Swingline Lender" means BMO Bank N.A., in its capacity as the Lender of Swingline Loans hereunder, or any successor Lender acting in such capacity appointed pursuant to Section 13.2.

"Swingline Lender's Quoted Rate" is defined in Section 2.2(b).

"Swingline Sublimit" means $5,000,000, as reduced pursuant to the terms hereof.

"Swingline Loan" and *"Swingline Loans"* each is defined in Section 2.2(b).

"Swing Note" is defined in Section 2.10(d).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term A Loan" is defined in Section 2.1(a) and, as so defined, includes a Base Rate Loan or a SOFR Loan, each of which is a *"type"* of Term A Loan hereunder.

"Term A Loan Commitment" means, as to any Lender, the obligation of such Lender to make its Term A Loan on the Closing Date in the principal amount not to exceed the amount set forth opposite such Lender's name on Schedule 2.1/2.2 attached hereto, as the same may be reduced or modified at any time or from time to time pursuant to the terms hereof (including, without limitation, Section 2.15 hereof). The Borrower and the Lenders acknowledge and agree that the aggregate Term A Loan Commitments of the Lenders equal $50,000,000 on the Closing Date.

"Term A Loan Percentage" means, for each Lender, the percentage of the Term A Loan Commitments represented by such Lender's Term A Loan Commitment or, if the Term A Loan Commitments have been terminated or have expired, the percentage held by such Lender of the aggregate principal amount of all Term A Loans then outstanding.

"Term A Note" is defined in Section 2.10.

"Term Loan" means, collectively, the Term A Loans, the Delayed Draw Term Loans and, unless the context shall otherwise require, Incremental Term Loans, and as so defined, includes a Base Rate Loan or a SOFR Loan, each of which is a *"type"* of Term Loan hereunder.

"Term Loan Facility" means the credit facility for the Term A Loans, the Delayed Draw Term Loans, and, unless the context shall otherwise require, the Incremental Term Loans described in Section 2.1(a), Section 2.1(b), and Section 2.15, respectively.

"Term A Loan Maturity Date" means May 5, 2030.

"Term SOFR" means, for the applicable tenor, the Term SOFR Reference Rate on the day (such day, the *"Term SOFR Determination Day"*) that is two (2) U.S. Government Securities Business Days prior to (a) in the case of SOFR Loans, the first day of such applicable Interest Period, or (b) with respect to the Base Rate, such day of determination of the Base Rate, in each case as such rate is published by the Term SOFR Administrator; *provided, however,* that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not

more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion and consistent with such selection generally under other substantially similar syndicated credit facilities for which the Administrative Agent acts as the administrative agent).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Test Period" means, at any time the same is to be determined, the four (4) consecutive Fiscal Quarters of the Borrower and its Subsidiaries most recently ended.

"Total Consideration" means, with respect to an Acquisition, the sum (but without duplication) of (a) cash paid or payable in connection with any Acquisition, whether paid at or prior to or after the closing thereof, (b) indebtedness payable to the seller in connection with such Acquisition, including all Seller Notes and all Earn Out Obligations and other future payment obligations subject to the occurrence of any contingency (*provided* that, in the case of any future payment subject to a contingency, such shall be considered part of the Total Consideration to the extent of the reserve, if any, required under GAAP to be established in respect thereof by any Loan Party or any Subsidiary of a Loan Party), (c) the fair market value of any equity securities, including any warrants or options therefor, delivered in connection with any Acquisition, (d) the present value of covenants not to compete entered into in connection with such Acquisition or other future payments which are required to be made over a period of time and are not contingent upon any Loan Party or its Subsidiary meeting financial performance objectives (exclusive of salaries paid in the ordinary course of business) (discounted at the Base Rate), but only to the extent not included in clause (a), (b) or (c) above, and (e) the amount of indebtedness assumed in connection with such Acquisition.

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments, Revolving Credit Exposure and outstanding Term Loans of such Lender at such time.

"Total Funded Debt" means, at any time the same is to be determined, an amount equal to (a) the sum (but without duplication) of (i) all Indebtedness of the Borrower and its Subsidiaries at such time described in clauses (a)-(f), both inclusive, of the definition thereof, and (ii) all Indebtedness of any other Person of the types described in clauses (a)-(f), both inclusive, of the definition thereof, which is directly or indirectly Guaranteed by the Borrower or any of its Subsidiaries or which the Borrower or any of its Subsidiaries has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which the Borrower or any of its Subsidiaries has otherwise assured a creditor against loss, *minus* (b) Unrestricted Cash then held by the Borrower and its Subsidiaries that is in deposit accounts maintained with either (i) a Lender (or one of its Affiliates) or another financial institution reasonably acceptable to the Administrative Agent and that are subject to account control agreements for the benefit of the Administrative Agent (in form and substance reasonably satisfactory to the Administrative Agent and effective to grant "control" (as defined under the applicable state's Uniform Commercial Code) to the

Administrative Agent over such account) or (ii) the Administrative Agent, in an amount not to exceed 50% of Adjusted EBITDA of the Borrower and its Subsidiaries as of the end of the most recently ended Test Period for which financial statements have been delivered pursuant to Section 8.5(a) or (b), as applicable; *provided, however,* that for the avoidance of doubt, obligations of the Borrower or any of its Subsidiaries with respect to Performance Standby Letters of Credit shall be excluded from the calculation of Total Funded Debt.

"Total Net Leverage Ratio" means, as of any date of determination, the ratio of (a) Total Funded Debt of the Borrower and its Subsidiaries as of such day to (b) Adjusted EBITDA of the Borrower and its Subsidiaries as of the end of the most recently ended Test Period for which financial statements have been delivered pursuant to Section 8.5(a) or (b), as applicable.

"Total Net Leverage Ratio Adjustment" is defined in Section 8.23(a).

"UCC" means the Uniform Commercial Code of any applicable jurisdiction and, if the applicable jurisdiction shall not have any Uniform Commercial Code, the Uniform Commercial Code as in effect from time to time in the State of New York.

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unfinanced Capital Expenditures" means, with respect to any period, the aggregate amount of Capital Expenditures made by the Borrower and its Subsidiaries during such period to the extent permitted by this Agreement (excluding any Developmental Software Costs incurred during any Test Period) and not financed with proceeds of Indebtedness or with equity securities of the Borrower described in clause (d) of the definition of Excluded Equity Issuances; *provided* that any Capital Expenditures financed under the Revolving Facility shall be considered Unfinanced Capital Expenditures.

"Unfunded Vested Liabilities" means, for any Plan at any time, the amount (if any) by which the present value of all vested nonforfeitable accrued benefits under such Plan exceeds the fair market value of all Plan assets allocable to such benefits, all determined as of the then most

recent valuation date for such Plan, but only to the extent that such excess represents a potential liability of a member of the Controlled Group to the PBGC or the Plan under Title IV of ERISA.

"Unrestricted Cash" means, at any time the same is to be determined, all cash and Cash Equivalents of the Loan Parties on deposit with a financial institution and readily accessible by a Loan Party.

"U.S. Dollars" and *"$"* each means the lawful currency of the United States of America.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Special Resolution Regimes" is defined in Section 13.22 hereof.

"U.S. Tax Compliance Certificate" has the meaning assigned to such term in subsection (f) of Section 4.1.

"Voting Stock" of any Person means capital stock or other equity interests of any class or classes (however designated) having ordinary power for the election of directors or other similar governing body of such Person, other than stock or other equity interests having such power only by reason of the happening of a contingency.

"Welfare Plan" means a "welfare plan" as defined in Section 3(1) of ERISA.

"Withholding Agent" means any Loan Party and the Administrative Agent.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.2. Interpretation . The foregoing definitions are equally applicable to both 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, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or 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, (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (f) 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. All references to time of day herein are references to Chicago, Illinois, time unless otherwise specifically provided. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, it shall be done in accordance with GAAP except where such principles are inconsistent with the specific provisions of this Agreement. The Borrower covenants and agrees with the Lenders that whether or not the Borrower may at any time adopt Accounting Standards Codification 825 or account for assets and liabilities acquired in an acquisition on a fair value basis pursuant to Accounting Standards Codification 805, all determinations of compliance with the terms and conditions of this Agreement shall be made on the basis that the Borrower has not adopted Accounting Standards Codification 825 or Accounting Standards Codification 805.

Section 1.3. Change in Accounting Principles . If, after the date of this Agreement, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 6.5 and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement, either the Borrower or the Required Lenders may by notice to the Lenders and the Borrower, respectively, require that the Lenders and the Borrower negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Borrower and its Subsidiaries shall be the same as if such change had not been made. No delay by the Borrower or the Required Lenders in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles. Without limiting the generality of the foregoing, the Borrower shall neither be deemed to be in compliance with any financial covenant hereunder nor out of compliance with any financial covenant hereunder if such state of compliance or noncompliance, as the case may be, would not exist but for the occurrence of a change in accounting principles after the date hereof.

For the avoidance of doubt, (i) notwithstanding any change in GAAP after December 14, 2018 that would require lease obligations that would be treated as operating leases as of December 14, 2018 to be classified and accounted for as Capital Leases or otherwise reflected on the Borrower's consolidated balance sheet, such obligations shall continue to be excluded from the definition of Indebtedness and the definition of Capital Lease and (ii) any lease that was entered into after the date of this Agreement that would have been considered an operating lease under GAAP in effect as of December 14, 2018 shall be treated as an operating lease for all purposes under this Agreement and the other Loan Documents, and obligations in respect thereof shall be excluded from the definition of Indebtedness and the definition of Capital Lease.

Section 1.4. Divisions . For all purposes under the Loan Documents, in connection with any Division (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its equity interests at such time.

Section 1.5. Interest Rates . The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Benchmark, any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Benchmark or any other Benchmark prior to its discontinuance or unavailability, other than, for the avoidance of doubt, the Administrative Agent's responsibility to apply the definition of each such rate in accordance with its terms and the terms of this Agreement and to comply with its express obligations under this Agreement (including, without limitation, under Section 4.3(b)), or (b) the effect, implementation or composition of any Conforming Changes, other than, for the avoidance of doubt, the Administrative Agent's responsibility to implement any Conforming Changes in accordance with the express provisions of this Agreement. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Benchmark or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

SECTION 2. THE FACILITIES.

Section 2.1. Term Loan Facilities. (a) On the Closing Date, the aggregate principal amount of the "Term A Loans" outstanding under the Existing Credit Agreement (the *"Existing Term A Loans"*) shall be deemed to have been, and hereby is, converted into a portion of the outstanding Term A Loans (as hereinafter defined) hereunder in like amount, without constituting a novation, and shall constitute a portion of the Term A Loans for all purposes hereunder and under the other Loan Documents. The Loan Parties hereby represent, warrant, agree, covenant and confirm that as of the Closing Date they have no defense, set off, claim or counterclaim against the Administrative Agent or any of the Lenders with respect to their Obligations in respect of the Existing Term A Loans. Subject to the terms and conditions hereof, each Lender, by its acceptance hereof, severally agrees to make a loan (together with the outstanding Existing Term A Loans so converted, individually, a *"Term A Loan"* and collectively, for all the Lenders, the *"Term A Loans"*) in U.S. Dollars to the Borrower in an aggregate principal amount equal to such Lender's Term A Loan Commitment. The Term A Loans shall be advanced in a single Borrowing on the Closing Date and shall be made ratably by the Lenders in proportion to their respective Term A Loan Percentages, at which time the Term A Loan Commitments shall expire; *provided*, that, with respect to any Continuing Lender holding a portion of the Existing Term A Loans, such Continuing Lender's commitment to lend a portion of the Term A Loans to the Borrower on the Closing Date shall be deemed satisfied in an amount equal to its portion of the then outstanding Existing Term A Loans. As provided in Section 2.6(a) hereof, the Borrower may elect that the Term A Loans, or any other Term Loans, be outstanding as Base Rate Loans or SOFR Loans, it being understood that, notwithstanding any provision hereof to the contrary, the Term A Loans shall initially be SOFR Loans with an Interest Period of one month. No amount repaid or prepaid on the Term A Loans, or any other Term Loans, may be borrowed again.

(b) Subject to the terms and conditions hereof, each Lender, by its acceptance hereof, severally agrees to make a loan (individually, a *"Delayed Draw Term Loan"* and collectively, for all the Lenders, the *"Delayed Draw Term Loans"*) in U.S. Dollars to the Borrower during the Delayed Draw Term Loan Availability Period in an aggregate principal amount not to exceed such Lender's Delayed Draw Term Loan Commitment. The Delayed Draw Term Loans shall be made ratably by the Lenders in proportion to their respective Delayed Draw Term Loan Percentages, and the Delayed Draw Term Loan Commitment of each Lender shall be permanently and automatically reduced by the aggregate amount of Delayed Draw Term Loans funded by such Lender. No amount repaid or prepaid on any Delayed Draw Term Loan may be borrowed again. As provided in Section 2.6(a) hereof, the Borrower may elect that the Delayed Draw Term Loans be outstanding as Base Rate Loans or SOFR Loans. Each Borrowing of Delayed Draw Term Loans shall be in a minimum amount of $5,000,000, and there shall be no more than five (5) Borrowings of the Delayed Draw Term Loans during the Delayed Draw Term Loan Availability Period.

Section 2.2. Revolving Facility .

(a) *Revolving Credit Commitments.* On the Closing Date, the aggregate principal amount of the "Revolving Loans" outstanding under the Existing Credit Agreement (the *"Existing Revolving Loans"*), if any, shall be deemed to have been, and hereby is, converted into a portion

of the outstanding Revolving Loans (as hereinafter defined) hereunder in like amount, without constituting a novation, and shall constitute a portion of the Revolving Loans for all purposes hereunder and under the other Loan Documents. The Loan Parties hereby represent, warrant, agree, covenant and confirm that as of the Closing Date they have no defense, set off, claim or counterclaim against the Administrative Agent or any of the Lenders with respect to their Obligations in respect of the Existing Revolving Loans. Subject to the terms and conditions hereof, each Lender, by its acceptance hereof, severally agrees to make a loan or loans (together with the Existing Revolving Loans, so converted, individually, a *"Revolving Loan"* and collectively, for all the Lenders, the *"Revolving Loans"*) in U.S. Dollars to the Borrower from time to time on a revolving basis up to the amount of such Lender's Revolving Credit Commitment, subject to any reductions thereof pursuant to the terms hereof, before the Revolving Credit Termination Date. The sum of the aggregate principal amount of Revolving Loans, Swingline Loans, and L/C Obligations at any time outstanding shall not exceed the Revolving Credit Commitments in effect at such time, and any Lender's Revolving Credit Exposure shall not exceed such Lender's Revolving Credit Commitment in effect at such time. Each Borrowing of Revolving Loans shall be made ratably by the Lenders in proportion to their respective Revolver Percentages. As provided in Section 2.6(a), the Borrower may elect that each Borrowing of Revolving Loans be either Base Rate Loans or SOFR Loans. Revolving Loans may be repaid and the principal amount thereof reborrowed before the Revolving Credit Termination Date, subject to the terms and conditions hereof.

(b) *Swingline Loans.* (i) *Generally*. Subject to the terms and conditions hereof, as part of the Revolving Facility, the Swingline Lender may, in its sole discretion, make loans in U.S. Dollars to the Borrower under the Swingline (individually, a *"Swingline Loan"* and collectively, the *"Swingline Loans"*) in an aggregate principal amount that will not result in (i) the Revolving Credit Exposure of any Lender exceeding its Revolving Credit Commitment, (ii) the total Revolving Credit Exposures exceeding the total Revolving Credit Commitments or (iii) the aggregate principal amount of outstanding Swingline Loans exceeding the Swingline Sublimit. Swingline Loans may be availed of from time to time and borrowings thereunder may be repaid and used again during the period ending on the Revolving Credit Termination Date. Except to the extent the Swingline Lender agrees to a lower amount, each Swingline Loan shall be in a minimum amount of $100,000 or such greater amount which is an integral multiple of $50,000; *provided* that, for the avoidance of doubt, the foregoing minimum amounts shall not apply to Swingline Loans made pursuant to a Sweep to Loan Arrangement. Each Swingline Loan shall bear interest until maturity (whether by acceleration or otherwise) at a rate per annum equal to either (x) the rate per annum for Base Rate Loans under the Revolving Facility as from time to time in effect or (y) the Swingline Lender's Quoted Rate (computed on the basis of a year of 360 days for the actual number of days elapsed) pursuant to subsection (ii) below. Interest on each Swingline Loan shall be due and payable by the Borrower on each Interest Payment Date and on the Revolving Credit Termination Date.

(ii) *Requests for Swingline Loans*. The Borrower shall give the Administrative Agent prior notice (which may be written or oral) no later than 3:00 p.m. (Chicago time) on the date upon which the Borrower requests that any Swingline Loan be made, of the amount and date of such Swingline Loan, and, if applicable, the Interest Period requested therefor. The Administrative Agent shall promptly advise the Swingline Lender of any such notice received from the Borrower.

Thereafter, the Swingline Lender shall notify the Administrative Agent (who shall thereafter promptly notify the Borrower) whether or not it has elected to make such Swingline Loan. If the Swingline Lender agrees to make such Swingline Loan, it may in its discretion quote an interest rate to the Borrower at which the Swingline Lender would be willing to make such Swingline Loan available to the Borrower for the Interest Period so requested (the rate so quoted for a given Interest Period being herein referred to as *"Swingline Lender's Quoted Rate"*). The Borrower acknowledges and agrees that the interest rate quote is given for immediate and irrevocable acceptance. If the Borrower does not so immediately accept the Swingline Lender's Quoted Rate for the full amount requested by the Borrower for such Swingline Loan, the Swingline Lender's Quoted Rate shall be deemed immediately withdrawn. If the Swingline Lender's Quoted Rate is not accepted or otherwise does not apply, such Swingline Loan shall bear interest at the rate per annum for Base Rate Loans under the Revolving Facility as from time to time in effect. Subject to the terms and conditions hereof, the proceeds of each Swingline Loan extended to the Borrower shall be deposited or otherwise wire transferred to the Borrower's Designated Disbursement Account or as the Borrower, the Administrative Agent, and the Swingline Lender may otherwise agree. Anything contained in the foregoing to the contrary notwithstanding, the undertaking of the Swingline Lender to make Swingline Loans shall be subject to all of the terms and conditions of this Agreement (provided that the Swingline Lender shall be entitled to assume that the conditions precedent to an advance of any Swingline Loan have been satisfied unless notified to the contrary by the Administrative Agent or the Required Lenders).

(iii) *Refunding Swingline Loans*. Without regard to the notice requirements of Section 2.6(a) or minimum borrowing amounts under Section 2.5 and in its sole and absolute discretion, the Swingline Lender may at any time, on behalf of the Borrower (which hereby irrevocably authorizes the Swingline Lender to act on its behalf for such purpose) and with notice to the Borrower and the Administrative Agent, request each Lender to make a Revolving Loan in the form of a Base Rate Loan in an amount equal to such Lender's Revolver Percentage of the amount of the Swingline Loans outstanding on the date such notice is given (which Loans shall thereafter bear interest as provided for in Section 2.4(a)). Unless an Event of Default described in Section 9.1(j) or 9.1(k) exists with respect to the Borrower, regardless of the existence of any other Event of Default, each Lender shall make the proceeds of its requested Revolving Loan available to the Administrative Agent for the account of the Swingline Lender, in immediately available funds, at the Administrative Agent's office in Chicago, Illinois (or such other location designated by the Administrative Agent), before 12:00 Noon (Chicago time) on the Business Day following the day such notice is given. The Administrative Agent shall promptly remit the proceeds of such Borrowing to the Swingline Lender to repay the outstanding Swingline Loans.

(iv) *Participation in Swingline Loans.* If any Lender refuses or otherwise fails to make a Revolving Loan when requested by the Swingline Lender pursuant to Section 2.2(b)(iii) above (because an Event of Default described in Section 9.1(j) or 9.1(k) exists with respect to the Borrower or otherwise), such Lender will, by the time and in the manner such Revolving Loan was to have been funded to the Swingline Lender, purchase from the Swingline Lender an undivided participating interest in the outstanding Swingline Loans in an amount equal to its Revolver Percentage of the aggregate principal amount of Swingline Loans that were to have been repaid with such Revolving Loans. From and after the date of any such purchase, the parties hereto hereby acknowledge and agree that such Swingline Loans shall thereafter bear interest as Base

Rate Loans as provided for in Section 2.2(b)(i)(x) above). Each Lender that so purchases a participation in a Swingline Loan shall thereafter be entitled to receive its Revolver Percentage of each payment of principal received on the Swingline Loan and of interest received thereon accruing from the date such Lender funded to the Swingline Lender its participation in such Loan. The several obligations of the Lenders under this Section shall be absolute, irrevocable, and unconditional under any and all circumstances whatsoever and shall not be subject to any set-off, counterclaim or defense to payment which any Lender may have or have had against the Borrower, any other Lender, or any other Person whatsoever. Without limiting the generality of the foregoing, such obligations shall not be affected by any Default or by any reduction or termination of the Commitments of any Lender, and each payment made by a Lender under this Section shall be made without any offset, abatement, withholding, or reduction whatsoever.

(v) *Sweep to Loan Arrangement*. So long as a Sweep to Loan Arrangement is in effect, and subject to the terms and conditions thereof, Swingline Loans may be advanced and prepaid hereunder notwithstanding any notice, minimum amount, or funding and payment location requirements hereunder for any advance of Swingline Loans or for any prepayment of any Swingline Loans. The making of any such Swingline Loans shall otherwise be subject to the other terms and conditions of this Agreement. The Swingline Lender shall have the right in its sole discretion to suspend or terminate the making and/or prepayment of Swingline Loans pursuant to such Sweep to Loan Arrangement with notice to the Sweep Depositary and the Borrower (which may be provided on a same-day basis), whether or not any Default exists. The Swingline Lender shall not be liable to the Borrower or any other Person for any losses directly or indirectly resulting from events beyond the Swingline Lender's reasonable control, including without limitation any interruption of communications or data processing services or legal restriction or for any special, indirect, consequential or punitive damages in connection with any Sweep to Loan Arrangement.

Section 2.3. Letters of Credit .

(a) *General Terms.* Subject to the terms and conditions hereof, as part of the Revolving Facility, the L/C Issuer shall issue standby and commercial letters of credit (each a *"Letter of Credit"*) for the account of the Borrower or for the account of the Borrower and one or more of its Subsidiaries. Each Letter of Credit shall be issued by the L/C Issuer, but each Lender shall be obligated to reimburse the L/C Issuer for such Lender's Revolver Percentage of the amount of each drawing thereunder and, accordingly, Letters of Credit shall constitute usage of the Revolving Credit Commitment of each Lender pro rata in an amount equal to its Revolver Percentage of the L/C Obligations then outstanding. A Letter of Credit shall be issued, extended, reinstated or otherwise amended only if (and upon issuance, extension, reinstatement or other amendment of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, extension, reinstatement or other amendment (i) the aggregate L/C Obligations shall not exceed the L/C Sublimit, (ii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Credit Commitment and (iii) the total Revolving Credit Exposures shall not exceed the total Revolving Credit Commitments. Notwithstanding anything herein to the contrary, the Existing Letters of Credit shall each constitute a *"Letter of Credit"* herein for all purposes of this Agreement with the applicable Borrower or Subsidiary as the applicant therefor, to the same extent, and with the same force and effect as if the Existing Letters of Credit had been issued under this Agreement at the request of the Borrower.

(b) *Applications.* At any time before the Revolving Credit Termination Date, the L/C Issuer shall, at the request of the Borrower, issue one or more Letters of Credit in U.S. Dollars, in a form satisfactory to the L/C Issuer, with expiration dates no later than the earlier of 12 months from the date of issuance (or which are cancelable not later than 12 months from the date of issuance and each renewal) or ten (10) days prior to the Revolving Credit Termination Date (except to the extent the Borrower delivers Cash Collateral as set forth below), in an aggregate face amount as set forth above, upon the receipt of an application duly executed by the Borrower and, if such Letter of Credit is for the account of one of its Subsidiaries, such Subsidiary for the relevant Letter of Credit, in the form then customarily prescribed by the L/C Issuer for the Letter of Credit requested (each an *"Application"*). If any L/C Issuer issues or has issued any Letter of Credit with an expiration date that occurs after the date ten (10) days prior to the Revolving Credit Termination Date (or the expiration date of which is automatically extended to a date after the date ten (10) days prior to the Revolving Credit Termination Date), the Borrower shall, not later than the date ten (10) days prior to the Revolving Credit Termination Date, deliver to the Administrative Agent, without notice or demand, Cash Collateral in an amount equal to 105% of the face amount of each such Letter of Credit, to be held in accordance with Section 9.4 hereof. Notwithstanding anything contained in any Application to the contrary: (i) the Borrower shall pay fees in connection with each Letter of Credit as set forth in Section 3.1(b), (ii) except as otherwise provided herein or in Sections 2.8, 2.13 or 2.14, unless an Event of Default exists, the L/C Issuer will not call for the funding by the Borrower of any amount under a Letter of Credit before being presented with a drawing thereunder, and (iii) if the L/C Issuer is not timely reimbursed for the amount of any drawing under a Letter of Credit on the date such drawing is paid, except as otherwise provided for in Section 2.6(c), the Borrower's obligation to reimburse the L/C Issuer for the amount of such drawing shall bear interest (which the Borrower hereby promises to pay) from and after the date such drawing is paid at a rate per annum equal to the sum of the Applicable Margin plus the Base Rate from time to time in effect (computed on the basis of a year of 365 or 366 or 360 days, as the case may be, and the actual number of days elapsed as further set forth in Section 2.4(a) hereof). If the L/C Issuer issues any Letter of Credit with an expiration date that is automatically extended unless the L/C Issuer gives notice that the expiration date will not so extend beyond its then scheduled expiration date, unless the Administrative Agent or the Required Lenders instruct the L/C Issuer otherwise, the L/C Issuer will give such notice of non-renewal before the time necessary to prevent such automatic extension if before such required notice date: (i) the expiration date of such Letter of Credit if so extended would be after ten (10) days prior to the Revolving Credit Termination Date (except to the extent Cash Collateralized as provided above), (ii) the Revolving Credit Commitments have been terminated, or (iii) an Event of Default exists and either the Administrative Agent or the Required Lenders (with notice to the Administrative Agent) have given the L/C Issuer instructions not to so permit the extension of the expiration date of such Letter of Credit. The L/C Issuer agrees to issue amendments to the Letter(s) of Credit increasing the amount, or extending the expiration date, thereof at the request of the Borrower subject to the conditions of Section 7 and the other terms of this Section.

(c) *The Reimbursement Obligations.* Subject to Section 2.3(b), the obligation of the Borrower to reimburse the L/C Issuer for all drawings under a Letter of Credit (a *"Reimbursement Obligation"*) shall be governed by the Application related to such Letter of Credit, except that reimbursement shall be made by no later than 12:00 Noon (Chicago time) on the date when each drawing is to be paid if the Borrower has been informed of such drawing by the L/C Issuer on or

before 11:00 a.m. (Chicago time) on the date when such drawing is to be paid or, if notice of such drawing is given to the Borrower after 11:00 a.m. (Chicago time) on the date when such drawing is to be paid, by no later than 12:00 Noon (Chicago time) on the following Business Day, in immediately available funds at the Administrative Agent's principal office in Chicago, Illinois, or such other office as the Administrative Agent may designate in writing to the Borrower (who shall thereafter cause to be distributed to the L/C Issuer such amount(s) in like funds). If the Borrower does not make any such reimbursement payment on the date due and the Participating Lenders fund their participations therein in the manner set forth in Section 2.3(e) below, then all payments thereafter received by the Administrative Agent in discharge of any of the relevant Reimbursement Obligations shall be distributed in accordance with Section 2.3(e) below.

(d) *Obligations Absolute.* The Borrower's obligation to reimburse L/C Obligations shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement and the relevant Application 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 L/C Issuer under a Letter of Credit against presentation of a draft or other document that does not strictly 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. None of the Administrative Agent, the Lenders, or the L/C Issuer 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 L/C Issuer; *provided* that the foregoing shall not be construed to excuse the L/C Issuer 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 and each other Loan Party to the extent permitted by applicable law) suffered by the Borrower or any Loan Party that are caused by the L/C Issuer'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 L/C Issuer (as determined by a court of competent jurisdiction by final and nonappealable judgment), the L/C Issuer 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 L/C Issuer 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.

(e) *The Participating Interests.* Each Lender (other than the Lender acting as L/C Issuer in issuing the relevant Letter of Credit), by its acceptance hereof, severally agrees to purchase from the L/C Issuer, and the L/C Issuer hereby agrees to sell to each such Lender (a *"Participating Lender"*), an undivided percentage participating interest (a *"Participating Interest")*, to the extent of its Revolver Percentage, in each Letter of Credit issued by, and each Reimbursement Obligation owed to, the L/C Issuer. Upon any failure by the Borrower to pay any Reimbursement Obligation at the time required on the date the related drawing is to be paid, as set forth in Section 2.3(c) above, or if the L/C Issuer is required at any time to return to the Borrower or to a trustee, receiver, liquidator, custodian or other Person any portion of any payment of any Reimbursement Obligation, each Participating Lender shall, not later than the Business Day it receives a certificate in the form of Exhibit A hereto from the L/C Issuer (with a copy to the Administrative Agent) to such effect, if such certificate is received before 1:00 p.m. (Chicago time), or not later than 1:00 p.m. (Chicago time) the following Business Day, if such certificate is received after such time, pay to the Administrative Agent for the account of the L/C Issuer an amount equal to such Participating Lender's Revolver Percentage of such unpaid or recaptured Reimbursement Obligation together with interest on such amount accrued from the date the related payment was made by the L/C Issuer to the date of such payment by such Participating Lender at a rate per annum equal to: (i) from the date the related payment was made by the L/C Issuer to the date two (2) Business Days after payment by such Participating Lender is due hereunder, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation for each such day and (ii) from the date two (2) Business Days after the date such payment is due from such Participating Lender to the date such payment is made by such Participating Lender, the Base Rate in effect for each such day. Each such Participating Lender shall thereafter be entitled to receive its Revolver Percentage of each payment received in respect of the relevant Reimbursement Obligation and of interest paid thereon, with the L/C Issuer retaining its Revolver Percentage thereof as a Lender hereunder. The several obligations of the Participating Lenders to the L/C Issuer under this Section shall be absolute, irrevocable, and unconditional under any and all circumstances whatsoever and shall not be subject to any set-off, counterclaim or defense to payment which any Participating Lender may have or have had against the Borrower, the L/C Issuer, the Administrative Agent, any Lender or any other Person whatsoever. Without limiting the generality of the foregoing, such obligations shall not be affected by any Default or by any reduction or termination of any Commitment of any Lender, and each payment by a Participating Lender under this Section shall be made without any offset, abatement, withholding or reduction whatsoever.

(f) *Indemnification.* The Participating Lenders shall, to the extent of their respective Revolver Percentages, indemnify the L/C Issuer (to the extent not reimbursed by the Borrower) against any cost, expense (including reasonable counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such L/C Issuer's gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment) that the L/C Issuer may suffer or incur in connection with any Letter of Credit issued by it. The obligations of the Participating Lenders under this subsection (f) and all other parts of this Section shall survive termination of this Agreement and of all Applications, Letters of Credit, and all drafts and other documents presented in connection with drawings thereunder.

(g) *Manner of Requesting a Letter of Credit.* The Borrower shall provide at least five (5) Business Days' advance written notice to the Administrative Agent of each request for the issuance of a Letter of Credit, such notice in each case to be accompanied by an Application for such Letter of Credit properly completed and executed by the Borrower, and, in the case of an extension or amendment or an increase in the amount of a Letter of Credit, a written request therefor, in a form acceptable to the Administrative Agent and the L/C Issuer, in each case, together with the fees called for by this Agreement. The Administrative Agent shall promptly notify the L/C Issuer of the Administrative Agent's receipt of each such notice (and the L/C Issuer shall be entitled to assume that the conditions precedent to any such issuance, extension, amendment or increase have been satisfied unless notified to the contrary by the Administrative Agent or the Required Lenders) and the L/C Issuer shall promptly notify the Administrative Agent and the Lenders of the issuance of the Letter of Credit so requested.

(h) *Replacement of the L/C Issuer*. The L/C Issuer may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced L/C Issuer, and the successor L/C Issuer. The Administrative Agent shall notify the Lenders of any such replacement of the L/C Issuer. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced L/C Issuer. From and after the effective date of any such replacement (i) the successor L/C Issuer shall have all the rights and obligations of the L/C Issuer under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "L/C Issuer" shall be deemed to refer to such successor or to any previous L/C Issuer, or to such successor and all previous L/C Issuers, as the context shall require. After the replacement of an L/C Issuer hereunder, the replaced L/C Issuer shall remain a party hereto and shall continue to have all the rights and obligations of an L/C Issuer 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.

Section 2.4. Applicable Interest Rates .

(a) *Base Rate Loans.* Each Base Rate Loan made or maintained by a Lender shall bear interest (computed on the basis of a year of 365 or 366 days, as the case may be (360 days, in the case of clause (c) of the definition of Base Rate relating to Adjusted Term SOFR), and the actual days elapsed on the unpaid principal amount thereof from the date such Loan is advanced, or created by conversion from a SOFR Loan, until maturity (whether by acceleration or otherwise) at a rate per annum equal to the sum of the Applicable Margin plus the Base Rate from time to time in effect, payable by the Borrower on each Interest Payment Date and at maturity (whether by acceleration or otherwise).

(b) *SOFR Loans.* Each SOFR Loan made or maintained by a Lender shall bear interest during each Interest Period it is outstanding (computed on the basis of a year of 360 days and actual days elapsed) on the unpaid principal amount thereof from the date such Loan is advanced or continued, or created by conversion from a Base Rate Loan, until maturity (whether by acceleration or otherwise) at a rate per annum equal to the sum of the Applicable Margin plus the Adjusted Term SOFR applicable for such Interest Period, payable by the Borrower on each Interest Payment Date and at maturity (whether by acceleration or otherwise).

(c) *Rate Determinations.* The Administrative Agent shall determine each interest rate applicable to the Loans and the Reimbursement Obligations hereunder, and its determination thereof shall be conclusive and binding except in the case of manifest error. In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

Section 2.5. Minimum Borrowing Amounts; Maximum SOFR Loans . Except for Swingline Loans (which are governed by Section 2.2(b)(i)) and refundings of Swingline Loans with Revolving Loans pursuant to Section 2.2(b)(iii), each Borrowing of Base Rate Loans advanced under a Facility shall be in a minimum amount of $100,000. Each Borrowing of SOFR Loans advanced, continued or converted under a Facility shall be in an amount equal to $150,000 or such greater amount which is an integral multiple of $150,000. Without the Administrative Agent's consent, there shall not be more than five (5) Borrowings of SOFR Loans outstanding hereunder at any one time.

Section 2.6. Manner of Borrowing Loans and Designating Applicable Interest Rates .

(a) *Notice to the Administrative Agent.* Except for Swingline Loans (which are governed by Section 2.2(b)(i)) and refundings of Swingline Loans with Revolving Loans pursuant to Section 2.2(b)(iii), the Borrower shall give notice to the Administrative Agent by no later than 12:00 Noon (Chicago time): (i) at least three (3) Business Days before the date on which the Borrower requests the Lenders to advance a Borrowing of SOFR Loans and (ii) on the date the Borrower requests the Lenders to advance a Borrowing of Base Rate Loans. The Loans included in each Borrowing shall bear interest initially at the type of rate specified in such notice of a new Borrowing. Thereafter, subject to the terms and conditions hereof, the Borrower may from time to time elect to change or continue the type of interest rate borne by each Borrowing or, subject to the minimum amount requirement for each outstanding Borrowing set forth in Section 2.5, a portion thereof, as follows: (i) if such Borrowing is of SOFR Loans, on the last day of the Interest Period applicable thereto, the Borrower may continue part or all of such Borrowing as SOFR Loans or convert part or all of such Borrowing into Base Rate Loans or (ii) if such Borrowing is of Base Rate Loans, on any Business Day, the Borrower may convert all or part of such Borrowing into SOFR Loans for an Interest Period or Interest Periods specified by the Borrower. The Borrower shall give all such notices requesting the advance, continuation or conversion of a Borrowing to the Administrative Agent by telephone, telecopy, or other telecommunication device acceptable to the Administrative Agent (which notice shall be irrevocable once given and, if by telephone, shall be promptly confirmed in writing in a manner acceptable to the Administrative Agent), substantially in the form attached hereto as Exhibit B (Notice of Borrowing) or Exhibit C (Notice of Continuation/Conversion), as applicable, or in such other form acceptable to the Administrative Agent. Notice of the continuation of a Borrowing of SOFR Loans for an additional Interest Period or of the conversion of part or all of a Borrowing of Base Rate Loans into SOFR Loans must be

given by no later than 12:00 Noon (Chicago time) at least three (3) Business Days before the date of the requested continuation or conversion. All such notices concerning the advance, continuation or conversion of a Borrowing shall specify the date of the requested advance, continuation or conversion of a Borrowing (which shall be a Business Day), the amount of the requested Borrowing to be advanced, continued or converted, the type of Loans to comprise such new, continued or converted Borrowing and, if such Borrowing is to be comprised of SOFR Loans, the Interest Period applicable thereto. Upon notice to the Borrower by the Administrative Agent or the Required Lenders (or, in the case of an Event of Default under Section 9.1(j) or 9.1(k) with respect to the Borrower, without notice), no Borrowing of SOFR Loans shall be advanced, continued, or created by conversion if any Event of Default then exists. The Borrower agrees that the Administrative Agent may rely on any such telephonic, telecopy or other telecommunication notice given by any person the Administrative Agent in good faith believes is an Authorized Representative without the necessity of independent investigation, and in the event any such notice by telephone conflicts with any written confirmation such telephonic notice shall govern if the Administrative Agent has acted in reliance thereon.

(b) *Notice to the Lenders*. The Administrative Agent shall give prompt telephonic, telecopy or other telecommunication notice to each Lender of any notice from the Borrower received pursuant to Section 2.6(a) above and, if such notice requests the Lenders to make SOFR Loans, the Administrative Agent shall give notice to the Borrower and each Lender by like means of the interest rate applicable thereto promptly after the Administrative Agent has made such determination.

(c) *Borrower's Failure to Notify.* If the Borrower fails to give notice pursuant to Section 2.6(a) above of the continuation or conversion of any outstanding principal amount of a Borrowing of SOFR Loans before the last day of its then current Interest Period within the period required by Section 2.6(a) and such Borrowing is not prepaid in accordance with Section 2.8(a), such Borrowing shall automatically be converted into a Borrowing of Base Rate Loans. In the event the Borrower fails to give notice pursuant to Section 2.6(a) above of a Borrowing equal to the amount of a Reimbursement Obligation and has not notified the Administrative Agent by 12:00 Noon (Chicago time) on the day such Reimbursement Obligation becomes due that it intends to repay such Reimbursement Obligation through funds not borrowed under this Agreement, the Borrower shall be deemed to have requested a Borrowing of Base Rate Loans under the Revolving Facility (or, at the option of the Swingline Lender, under the Swingline) on such day in the amount of the Reimbursement Obligation then due, which Borrowing shall be applied to pay the Reimbursement Obligation then due.

(d) *Disbursement of Loans*. Not later than 1:00 p.m. (Chicago time) on the date of any requested advance of a new Borrowing, subject to Section 7, each Lender shall make available its Loan comprising part of such Borrowing in funds immediately available at the principal office of the Administrative Agent in Chicago, Illinois (or at such other location as the Administrative Agent shall designate). The Administrative Agent shall make the proceeds of each new Borrowing received from each Lender available to the Borrower at the Administrative Agent's principal office in Chicago, Illinois (or at such other location as the Administrative Agent shall designate), by depositing or wire transferring such proceeds to the credit of the Designated Disbursement

Account of the Borrower requesting the Loan or as the Borrower and the Administrative Agent may otherwise agree.

(e) *Administrative Agent Reliance on Lender Funding.* Unless the Administrative Agent shall have been notified by a Lender prior to (or, in the case of a Borrowing of Base Rate Loans, by 1:00 p.m. (Chicago time) on) the date on which such Lender is scheduled to make payment to the Administrative Agent of the proceeds of a Loan (which notice shall be effective upon receipt) that such Lender does not intend to make such payment, the Administrative Agent may assume that such Lender has made such payment when due and the Administrative Agent may in reliance upon such assumption (but shall not be required to) make available to the Borrower the proceeds of the Loan to be made by such Lender and, if any Lender has not in fact made such payment to the Administrative Agent, such Lender shall, on demand, pay to the Administrative Agent the amount made available to the Borrower attributable to such Lender together with interest thereon in respect of each day during the period commencing on the date such amount was made available to the Borrower and ending on (but excluding) the date such Lender pays such amount to the Administrative Agent at a rate per annum equal to: (i) from the date the related advance was made by the Administrative Agent to the date two (2) Business Days after payment by such Lender is due hereunder, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation for each such day and (ii) from the date two (2) Business Days after the date such payment is due from such Lender to the date such payment is made by such Lender, the Base Rate in effect for each such day. If such amount is not received from such Lender by the Administrative Agent immediately upon demand, the Borrower will, on demand, repay to the Administrative Agent the proceeds of the Loan attributable to such Lender with interest thereon at a rate per annum equal to the interest rate applicable to the relevant Loan, but without such payment being considered a payment or prepayment of a Loan under Section 4.5 so that the Borrower will have no liability under such Section with respect to such payment. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

Section 2.7. Payment and Maturity of Loans .

(a) *Scheduled Payments of Term A Loans.* The Borrower shall make principal payments on the Term A Loans in installments on the last day of each Fiscal Quarter of the Borrower ending prior to the Term A Loan Maturity Date, commencing with the Fiscal Quarter ending October 3, 2025 (as such amount may be reduced from time to time pursuant to the terms of Section 2.8), with the amount of each such installments to equal the amount set forth in Column B below shown opposite of the relevant due date as set forth in Column A below:

Column A	Column B
Payment Date	Scheduled Principal Payment on Term A Loans
10/03/25	$625,000

Column A	Column B
Payment Date	Scheduled Principal Payment on Term A Loans
01/02/26	$625,000
04/03/26	$625,000
07/03/26	$625,000
10/02/26	$625,000
01/01/27	$625,000
04/02/27	$625,000
07/02/27	$625,000
10/01/27	$625,000
12/31/27	$625,000
03/31/28	$625,000
06/30/28	$625,000
09/29/28	$625,000
12/29/28	$625,000
03/30/29	$625,000
06/29/29	$625,000
09/28/29	$625,000
12/28/29	$625,000
03/29/30	$625,000

; *provided* that, a final payment of all principal and interest not sooner paid on the Term A Loans shall be due and payable on the Term A Loan Maturity Date. Each such principal payment shall be applied to the Lenders holding the Term A Loans pro rata based upon their Term A Loan Percentages.

(b) *Scheduled Payments of Delayed Draw Term Loans.* The Borrower shall make principal payments on the Delayed Draw Term Loans in installments on the last day of each Fiscal Quarter of the Borrower ending prior to the Delayed Draw Term Loan Maturity Date, commencing with the first full Fiscal Quarter ending after the initial Borrowing of Delayed Draw Term Loans hereunder (as such amount may be reduced from time to time pursuant to the terms of Section 2.8), with the amount of each such quarterly principal installment to equal one and one quarter of one percentage (1.25%) per quarter of the aggregate initial principal balance of such Delayed Draw Term Loans advanced at least one (1) full Fiscal Quarter prior to the date such installment is to be

paid. All principal and interest not sooner paid on the Delayed Draw Term Loans shall be due and payable on the Delayed Draw Term Loan Maturity Date. Each principal payment made pursuant to this Section 2.7(b) shall be applied to the Delayed Draw Term Loans held by each Lender pro rata based upon their Delayed Draw Term Loan Percentages.

(c) *Revolving Loans and Swingline Loans.* Each Revolving Loan and Swingline Loan, both for principal and interest not sooner paid, shall mature and be due and payable by the Borrower on the Revolving Credit Termination Date.

Section 2.8. Prepayments.

(a) *Optional*. Subject to Section 2.2(b)(v), the Borrower may prepay the Loans in whole or in part (but, if in part, then: (i) if such Borrowing is of Base Rate Loans, in an amount not less than $100,000, (ii) if such Borrowing is of SOFR Loans, in an amount not less than $500,000, and (iii) in each case, in an amount such that the minimum amount required for a Borrowing pursuant to Sections 2.2(b) and 2.5 remains outstanding) upon not less than three (3) Business Days prior notice by the Borrower to the Administrative Agent in the case of any prepayment of a Borrowing of SOFR Loans and notice delivered by the Borrower to the Administrative Agent no later than 12:00 Noon (Chicago time) on the date of prepayment in the case of a Borrowing of Base Rate Loans (or, in any case, such shorter period of time then agreed to by the Administrative Agent), without penalty or premium (except amounts due under Section 4.5) such prepayment to be made by the payment of the principal amount to be prepaid and, in the case of any Term Loans or SOFR Loans or Swingline Loans, accrued interest thereon to the date fixed for prepayment plus any amounts due the Lenders under Section 4.5.

(b) *Mandatory*. (i) If at any time the sum of the unpaid principal balance of the Swingline Loans, Revolving Loans, and L/C Obligations then outstanding shall be in excess of the aggregate Revolving Credit Commitments then in effect, the Borrower shall immediately and without notice or demand pay over the amount of the excess to the Administrative Agent for the account of the Lenders as and for a mandatory prepayment on such Obligations, with each such prepayment first to be applied to the Swingline Loans and Revolving Loans until paid in full with any remaining balance to be held by the Administrative Agent in the Collateral Account as security for the L/C Obligations.

(ii) If the Borrower or any Subsidiary shall at any time or from time to time make or agree to make a Disposition or shall suffer an Event of Loss with respect to any Property, then the Borrower shall promptly notify the Administrative Agent of such proposed Disposition or Event of Loss (including the amount of the estimated Net Cash Proceeds to be received by the Borrower or such Subsidiary in respect thereof) and, promptly upon receipt by the Borrower or such Subsidiary of the Net Cash Proceeds of such Disposition or Event of Loss, the Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of all such Net Cash Proceeds; *provided* that (x) so long as no Default then exists, this subsection shall not require any such prepayment with respect to Net Cash Proceeds received on account of an Event of Loss so long as such Net Cash Proceeds are applied to reinvest in fixed or capital assets used or useful in the Borrower's or another Loan Party's business in accordance with this paragraph, (y) this subsection shall not require any such prepayment with respect to Net Cash Proceeds received on

account of Dispositions during any Fiscal Year of the Borrower not exceeding $200,000 in the aggregate so long as no Default then exists, and (z) in the case of any Disposition not covered by clause (y) above and any Event of Loss, so long as no Default then exists, if the Borrower states in its notice of such event that the Borrower or the relevant Subsidiary intends to reinvest, within 180 days of the applicable Disposition or Event of Loss, as applicable, the Net Cash Proceeds thereof in fixed or capital assets used or useful in the Borrower's or another Loan Party's business, then the Borrower shall not be required to make a mandatory prepayment under this subsection in respect of such Net Cash Proceeds to the extent such Net Cash Proceeds are actually reinvested in such assets with such 180-day period. Promptly after the end of such 180-day period, the Borrower shall notify the Administrative Agent whether the Borrower or such Loan Party has reinvested such Net Cash Proceeds in such assets, and, to the extent such Net Cash Proceeds have not been so reinvested, the Borrower shall promptly prepay the Obligations in the amount of such Net Cash Proceeds not so reinvested. If the Administrative Agent or the Required Lenders so request, all proceeds of such Disposition or Event of Loss shall be deposited with the Administrative Agent (or its agent) and held by it in the Collateral Account. So long as no Default exists, the Administrative Agent is authorized to disburse amounts representing such proceeds from the Collateral Account to or at the Borrower's direction for application to or reimbursement for the costs of reinvesting in such assets.

(iii) If after the Closing Date any Loan Party shall issue new equity securities (whether common or preferred stock or otherwise), other than Excluded Equity Issuances, the Borrower shall promptly notify the Administrative Agent of the estimated Net Cash Proceeds of such issuance to be received by or for the account of such Loan Party in respect thereof. Promptly upon receipt by such Loan Party of Net Cash Proceeds of such issuance, the Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of such Net Cash Proceeds. The Borrower acknowledges that its performance hereunder shall not limit the rights and remedies of the Lenders for any breach of Section 8.11 (Maintenance of Subsidiaries) or Section 9.1(i) (Change of Control) or any other terms of the Loan Documents.

(iv) If after the Closing Date any Loan Party shall issue any Indebtedness, other than Indebtedness permitted by Section 8.7 hereof, the Borrower shall promptly notify the Administrative Agent of the estimated Net Cash Proceeds of such issuance to be received by or for the account of such Loan Party in respect thereof. Promptly upon receipt by such Loan Party of Net Cash Proceeds of such issuance, the Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of such Net Cash Proceeds. The Borrower acknowledges that its performance hereunder shall not limit the rights and remedies of the Lenders for any breach of Section 8.7 or any other terms of the Loan Documents.

(v) Within three (3) Business Days after receipt of the Borrower's year-end audited financial statements, and in any event within 125 days after the end of each Fiscal Year of the Borrower (commencing with the Fiscal Year of the Borrower ending on or about January 2, 2026), the Borrower shall prepay the Obligations by an amount equal to 50% (the *"Prepayment Percentage"*) of Excess Cash Flow of the Borrower and its Subsidiaries for such Fiscal Year less the aggregate amount of voluntary prepayments of principal of Term Loans and voluntary prepayments of principal of Revolving Loans (to the extent such voluntary prepayment of Revolving Loans is accompanied by a concurrent permanent reduction of the Revolving Credit

Commitment) made by the Borrower pursuant to Section 2.8(a) hereof; *provided, however*, that the Prepayment Percentage shall be reduced to 25% for any Fiscal Year of the Borrower with respect to which the Total Net Leverage Ratio as of the last day of such Fiscal Year of the Borrower (as evidenced by financial statements and compliance certificates provided to the Administrative Agent for the relevant Fiscal Year in accordance with Section 8.5 hereof) is less than 2.00 to 1.0; *provided further, however*, that the Prepayment Percentage shall be reduced to 0% for any Fiscal Year of the Borrower with respect to which the Total Net Leverage Ratio as of the last day of such Fiscal Year of the Borrower (as evidenced by financial statements and compliance certificates provided to the Administrative Agent for the relevant Fiscal Year in accordance with Section 8.5 hereof) is less than 1.00 to 1.0.

(vi) [*Reserved*.]

(vii) The amount of each such prepayment under clauses (ii), (iii), (iv), and (v) of this Section 2.8(b) shall be applied (A) first to the outstanding Term Loans (to be applied on a ratable basis among the Term A Loans, the Delayed Draw Term Loans (if any), and Incremental Term Loans (if any) based on the outstanding principal amounts thereof) until paid in full and (B) then, without a reduction of the Revolving Credit Commitments, to the Swingline Loans and Revolving Loans until paid in full with any remaining balance to be held by the Administrative Agent in the Collateral Account as security for the L/C Obligations in accordance with Section 9.4. Unless the Borrower otherwise directs, prepayments of Loans under this Section 2.8(b) shall be applied first to Borrowings of Base Rate Loans until payment in full thereof with any balance applied to Borrowings of SOFR Loans in the order in which their Interest Periods expire. Each prepayment of Loans under this Section 2.8(b) shall be made by the payment of the principal amount to be prepaid and, in the case of any Term Loans or SOFR Loans or Swingline Loans, accrued interest thereon to the date of prepayment together with any amounts due the Lenders under Section 4.5.

(c) *Generally.* Any amount of Swingline Loans and Revolving Loans paid or prepaid before the Revolving Credit Termination Date may, subject to the terms and conditions of this Agreement, be borrowed, repaid and borrowed again. No amount of the Term Loans paid or prepaid may be reborrowed, and, in the case of any partial prepayment, such prepayment shall be applied to the remaining payments on the relevant Term Loans in the inverse order of maturity.

Section 2.9. Default Rate . Notwithstanding anything to the contrary contained herein, while any Event of Default exists or after acceleration, the Borrower shall pay interest (after as well as before entry of judgment thereon to the extent permitted by law) on the principal amount of all Loans and Reimbursement Obligations, letter of credit fees and other amounts at a rate per annum equal to:

(a) for any Base Rate Loan or any Swingline Loan bearing interest based on the Base Rate, the sum of 2.0% *plus* the Applicable Margin *plus* the Base Rate from time to time in effect;

(b) for any SOFR Loan or any Swingline Loan bearing interest at the Swingline Lender's Quoted Rate, the sum of 2.0% *plus* the rate of interest in effect thereon at the time of such Event of Default until the end of the Interest Period applicable thereto and,

thereafter, at a rate per annum equal to the sum of 2.0% *plus* the Applicable Margin for Base Rate Loans *plus* the Base Rate from time to time in effect;

(c) for any Reimbursement Obligation, the sum of 2.0% *plus* the amounts due under Section 2.3 with respect to such Reimbursement Obligation;

(d) for any Letter of Credit, the sum of 2.0% *plus* the Letter of Credit Fee due under Section 3.1(b) with respect to such Letter of Credit; and

(e) for any other amount owing hereunder not covered by clauses (a) through (d) above, the sum of 2% *plus* the Applicable Margin *plus* the Base Rate from time to time in effect;

provided, however, that in the absence of acceleration pursuant to Section 9.2 or 9.3, any adjustments pursuant to this Section shall be made at the election of the Administrative Agent, acting at the request or with the consent of the Required Lenders, with written notice to the Borrower (which election may be retroactively effective to the date of such Event of Default). While any Event of Default exists or after acceleration, interest shall be paid on demand of the Administrative Agent at the request or with the consent of the Required Lenders.

Section 2.10. Evidence of Indebtedness . (a) 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 from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall also maintain accounts in which it will record (i) the amount of each Loan made hereunder, the type thereof and the Interest Period with respect 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 from the Borrower and each Lender's share thereof.

(c) The entries maintained in the accounts maintained pursuant to subsections (a) and (b) above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded; *provided, however,* that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Obligations in accordance with their terms.

(d) Any Lender may request that its Loans be evidenced by a promissory note or notes in the forms of Exhibit D-1 (in the case of its Term A Loan and referred to herein as a *"Term A Note"*), D-2 (in the case of its Revolving Loans and referred to herein as a *"Revolving Note"*), or D-3 (in the case of its Swingline Loans and referred to herein as a *"Swing Note"*), and D-4 (in the case of its Delayed Draw Term Loan referred to herein as a "*Delayed Draw Term Note*" and the Term A Notes, Revolving Notes, Swing Note, and Delayed Draw Term Notes being hereinafter referred to collectively as the *"Notes"* and individually as a *"Note"*). In such event, the Borrower shall execute and deliver to such Lender a Note payable to such Lender or its registered assigns in

the amount of the relevant Term Loan, Commitment, or Swingline Sublimit, as applicable. Thereafter, the Loans evidenced by such Note or Notes and interest thereon shall at all times (including after any assignment pursuant to Section 13.2) be represented by one or more Notes payable to the order of the payee named therein or any assignee pursuant to Section 13.2, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described in subsections (a) and (b) above.

Section 2.11. Commitment Terminations .

(a) *Optional Credit Commitment Terminations.* The Borrower shall have the right at any time and from time to time, upon three (3) Business Days prior written notice to the Administrative Agent (or such shorter period of time agreed to by the Administrative Agent), to terminate the Revolving Credit Commitments and/or the Delayed Draw Term Loan Commitments without premium or penalty and in whole or in part, any partial termination to be (i) in an amount not less than $500,000 and (ii) allocated ratably among the Lenders in proportion to their respective Revolver Percentages and/or Delayed Draw Term Loan Percentages, as the case may be, provided that the Revolving Credit Commitments may not be reduced to an amount less than the sum of the aggregate principal amount of Swingline Loans, Revolving Loans, and L/C Obligations then outstanding. Any termination of the Revolving Credit Commitments below the L/C Sublimit or the Swingline Sublimit then in effect shall reduce the L/C Sublimit and Swingline Sublimit, as applicable, by a like amount. The Administrative Agent shall give prompt notice to each Lender of any such termination of the Revolving Credit Commitments and/or Delayed Draw Term Loan Commitments.

(b) Any termination of the Commitments pursuant to this Section may not be reinstated.

Section 2.12. Replacement of Lenders . If any Lender requests compensation under Section 4.4, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 4.1 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 4.7, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, 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, and consents required by, Section 13.2), all of its interests, rights (other than its existing rights to payments pursuant to Section 4.1 or Section 4.4) and obligations under this Agreement and the related Loan Documents to an Eligible 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 paid to the Administrative Agent the assignment fee (if any) specified in Section 13.2;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and funded participations in L/C Obligations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the

other Loan Documents (including any amounts under Section 4.5 as if the Loans owing to it were prepaid rather than assigned) 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);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 4.4 or payments required to be made pursuant to Section 4.1, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with applicable law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or 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 2.13. Defaulting Lenders .

(a) *Defaulting Lender Adjustments.* Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) *Waivers and Amendments*. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders.

(ii) *Defaulting Lender Waterfall*. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 9 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 13.7 hereto shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any L/C Issuer or the Swingline Lender hereunder; *third*, to Cash Collateralize the L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; *fourth*, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the L/C Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; *sixth*, to the payment of any

amounts owing to the Lenders, the L/C Issuer or the Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the L/C Issuer or the Swingline Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans or L/C Obligations in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 7.1 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with their Percentages of the relevant Commitments without giving effect to Section 2.13(a)(iv) below. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.13(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) *Certain Fees*.

(A) No Defaulting Lender shall be entitled to receive any commitment fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (B) above, the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations or Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to each L/C Issuer and Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) *Reallocation of Participations to Reduce Fronting Exposure*. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Percentages of the relevant Commitments (calculated without regard to such Defaulting Lender's Commitments) but only to the extent that (x) the conditions set forth in Section 7.1 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), and (y) such reallocation does not cause the aggregate Revolving Loans and interests in L/C Obligations and Swingline Loans of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Credit Commitment. Subject to Section 13.21, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) *Cash Collateral; Repayment of Swingline Loans*. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to them hereunder or under law, (x) first, prepay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure and (y) second, Cash Collateralize the L/C Issuer's Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) *Defaulting Lender Cure*. If the Borrower, the Administrative Agent, the Swingline Lender and each L/C Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swingline Loans to be held pro rata by the Lenders in accordance with their respective Percentages of the relevant Commitments (without giving effect to Section 2.13(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided*, *further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) *New Swingline Loans/Letters of Credit*. So long as any Lender is a Defaulting Lender, (i) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan and (ii) no L/C Issuer shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

Section 2.14. Cash Collateral for Fronting Exposure At any time that there shall exist a Defaulting Lender, within one (1) Business Day following the written request of the Administrative Agent or any L/C Issuer (with a copy to the Administrative Agent) the Borrower shall Cash Collateralize the L/C Issuers' Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to Section 2.13(a)(iv) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Minimum Collateral Amount.

(a) *Grant of Security Interest*. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to the Administrative Agent, for the benefit of the L/C Issuers, and agree to maintain, a first priority security interest in all such Cash Collateral as security for such Defaulting Lender's obligation to fund participations in respect of L/C Obligations, to be applied pursuant to clause (b) below. If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent and the L/C Issuers as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower shall, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(b) *Application*. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section 2.14 or Section 2.13 in respect of Letters of Credit shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of L/C Obligations (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(c) *Termination of Requirement*. Cash Collateral (or the appropriate portion thereof) provided to reduce any L/C Issuer's Fronting Exposure shall no longer be required to be held as Cash Collateral pursuant to this Section 2.14(c) following (A) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender), or (B) the determination by the Administrative Agent and each L/C Issuer that there exists excess Cash Collateral; *provided* that, subject to Section 2.14, the Person providing Cash Collateral and each L/C Issuer may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations; and *provided further* that to the extent that such Cash Collateral was provided by the Borrower or any other Loan Party, such Cash Collateral shall remain subject to the security interest granted pursuant to the Loan Documents.

Section 2.15. Increase in Commitments and Incremental Term Loans . The Borrower may, on any Business Day prior to the Revolving Credit Termination Date, increase the aggregate amount of the Revolving Credit Commitments (the *"Revolving Credit Increase"*) and/or borrow one or more additional term loans (the *"Incremental Term Loans"*) by delivering an Increase Request substantially in the form attached hereto as Exhibit E or in such other form acceptable to the Administrative Agent at least five (5) Business Days prior to the desired effective date of such increase or the making of such term loan(s) (the *"Increase"*) identifying any proposed additional Lender(s), if any, which additional Lender(s) shall, to the extent such consent would be required under Section 13.3, in the case of an additional Lender providing a Revolving Credit

Commitment, be reasonably acceptable to the Administrative Agent (or additional Revolving Credit Commitments or Incremental Term Loans, as applicable, for existing Lender(s)) and the amount of its Revolving Credit Commitment (or additional amount of its Revolving Credit Commitment(s)) or Incremental Term Loan(s) (or additional amount of its Term Loan Commitment(s)), as applicable; *provided, however*, that (i) the aggregate amount of all such Increases shall not exceed the greater of (I) $75,000,000 and (II) 100% of Adjusted EBITDA of the Borrower and its Subsidiaries for the period of four (4) Fiscal Quarters most recently ended for which financial statements have been delivered to the Administrative Agent pursuant to Section 8.5(a) or (b), as applicable, (ii) any such Increase shall be in an amount not less than $5,000,000, (iii) no Default shall exist at the time of the effective date of the Increase after giving effect to such Increase and giving pro forma effect to the use of proceeds thereof, (iv) the Borrower shall be in compliance on a pro forma basis with all financial covenants in Section 8.23 hereof, calculated using the required covenant compliance levels for the next succeeding determination period, *provided* that the Total Net Leverage Ratio shall be no greater than 3.00 to 1.00 (or, if applicable, 3.25 to 1.00 to the extent a Total Net Leverage Ratio Adjustment is then in effect in accordance with Section 8.23(a)) on a pro forma basis (after giving effect to such Increase and the application of proceeds thereof, but without netting such proceeds from such ratio), and (v) each of the representations and warranties contained in Section 6 hereof and in the other Loan Documents shall be true and correct in all material respects on the effective date of such Increase (where not already qualified by materiality, otherwise in all respects), except to the extent the same expressly relate to an earlier date, in which case they shall be true and correct in all material respects (where not already qualified by materiality, otherwise in all respects) as of such earlier date. The effective date (the *"Increase Date"*) of the Increase shall be agreed upon by the Borrower and the Lender(s) providing such increase). With respect to an Increase in the Revolving Credit Commitments, as described above, on the Increase Date, the new Lender(s) (or, if applicable, existing Lender(s)) shall advance Revolving Loans in an amount sufficient such that after giving effect to such advance(s) or loan(s) and the prepayment of Loans by any Lender(s) whose commitment is not increased, each Lender shall have outstanding its Revolver Percentage of Revolving Loans. It shall be a condition to such effectiveness that if any SOFR Loans are outstanding under the Revolving Facility or existing Term Loan Facility being increased on the date of such effectiveness, such SOFR Loans shall be deemed to be prepaid on such date (to the extent necessary to allocate such outstanding SOFR Loans in accordance with the Percentage of each Lender after giving effect to the related Increase) and the Borrower shall pay any amounts owing to the Lenders pursuant to Section 4.5 hereof. The Borrower agrees to pay all reasonable costs and expenses of the Administrative Agent relating to any Increase. Notwithstanding anything herein to the contrary, no Lender shall have any obligation to increase its Revolving Credit Commitment or make Incremental Term Loans and no Lender's Revolving Credit Commitment shall be increased without its consent thereto, and each Lender may at its option, unconditionally and without cause, decline to increase its Revolving Credit Commitment or make Incremental Term Loans.

The Incremental Term Loans (a) shall rank pari passu in right of payment and of security with the Revolving Loans and the Term Loans, (b) the all-in yield (including the Applicable Margin, the Floor, and fees (based on the lesser of a four-year average life to maturity or the remaining life to maturity), but excluding reasonable and customary arrangement, structuring and underwriting fees) applicable to any Incremental Term Loan will not be more than 0.50% per

annum higher than the corresponding all-in yield (determined on the same basis) applicable to any then existing Term Loans or Revolving Facility (each an "*Existing Facility*"), unless the Applicable Margin with respect to each applicable Existing Facility is increased by an amount equal to the difference between the all-in yield with respect to such Incremental Term Loan and the all-in yield on such Existing Facility as applicable, *minus*, 0.50% per annum; *provided* that, it being agreed that to the extent the all-in yield with respect to such Incremental Term Loan is greater than such all-in yield with respect to any Existing Facility solely as a result of a higher interest rate floor, then the Applicable Margin increase shall be effectuated solely by increasing the Floor on any applicable Existing Facility, and (c) except as set forth above, the terms and conditions applicable to Incremental Term Loans (including interest rates, the maturity dates and amortization applicable thereto) shall be consistent with the existing Term Loans.

Commitments in respect of Incremental Term Loans and increases in Revolving Credit Commitment shall become Commitments (or in the case of an increase in the Revolving Credit Commitment to be provided by an existing Lender, an increase in such Lender's applicable Revolving Credit Commitment) under this Agreement pursuant to an amendment (an *"Incremental Amendment"*) to this Agreement and, as appropriate, the other Loan Documents, executed by the Borrower, each Lender agreeing to provide such Commitment, if any, each additional Lender, if any, and the Administrative Agent. The Incremental Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section 2.15, and the Loan Parties shall deliver to the Administrative Agent such other documents, agreements, certificates, consents and opinions in connection with any Increase as the Administrative Agent may request in its reasonable discretion.

SECTION 3. FEES.

Section 3.1. Fees .

(a) *Commitment Fees.* (i) *Revolving Credit Commitment Fee*. The Borrower shall pay to the Administrative Agent for the ratable account of the Lenders in accordance with their Revolver Percentages a commitment fee (the *"Revolving Credit Commitment Fee"*) at the rate per annum equal to the Applicable Margin (computed on the basis of a year of 360 days and the actual number of days elapsed) times the daily amount by which the aggregate Revolving Credit Commitments exceeds the principal amount of Revolving Loans and L/C Obligations then outstanding; *provided, however,* that the principal amount of Swingline Loans shall be deemed usage of the Revolving Credit Commitment of the Swingline Lender for purposes of this Section. Such commitment fee shall be payable quarterly in arrears on the last day of each March, June, September, and December in each year (commencing on the first such date occurring after the Closing Date) and on the Revolving Credit Termination Date, unless the Revolving Credit Commitments are terminated in whole on an earlier date, in which event the commitment fee for the period to the date of such termination in whole shall be paid on the date of such termination.

(ii) *Delayed Draw Term Loan Commitment Fee*. The Borrower shall pay to the Administrative Agent for the ratable account of the Lenders in accordance with their Delayed Draw Term Loan Percentage, a commitment fee (the *"Delayed Draw Term Loan Commitment*

Fee") at the rate per annum equal to the Applicable Margin (computed on the basis of a year of 360 days and the actual number of days elapsed) multiplied by the daily amount of the aggregate Delayed Draw Term Loan Commitments for the applicable period. Such commitment fee shall be payable quarterly in arrears on the last day of each March, June, September, and December in each year (commencing on the first such date occurring after the date hereof) and on the last day of the Delayed Draw Term Loan Availability Period, unless the Delayed Draw Term Loan Commitments are terminated in whole on an earlier date, in which event the commitment fee for the period to the date of such termination in whole shall be paid on the date of such termination.

(b) *Letter of Credit Fees.* On the date of issuance or extension, or increase in the amount, of any Letter of Credit pursuant to Section 2.3, the Borrower shall pay to the L/C Issuer for its own account a fronting fee with respect to such Letter of Credit as agreed to in writing between the Borrower and the applicable L/C Issuer. Quarterly in arrears, on the last day of each March, June, September, and December, commencing on the first such date occurring after the Closing Date, the Borrower shall pay to the Administrative Agent, for the ratable benefit of the Lenders in accordance with their Revolver Percentages, a letter of credit fee (the *"Letter of Credit Fee"*) at a rate per annum equal to the Applicable Margin (computed on the basis of a year of 360 days and the actual number of days elapsed) in effect during each day of such quarter applied to the daily average face amount of Letters of Credit outstanding during such quarter. In addition, the Borrower shall pay to the L/C Issuer for its own account the L/C Issuer's standard issuance, drawing, negotiation, amendment, assignment, and other administrative fees for each Letter of Credit as established by the L/C Issuer from time to time.

(c) *Administrative Agent Fees*. The Borrower shall pay to the Administrative Agent, for its own use and benefit, the fees agreed to between the Administrative Agent and the Borrower in a fee letter dated as of the date hereof, or as otherwise agreed to in writing between them.

SECTION 4. TAXES; CHANGE IN CIRCUMSTANCES, INCREASED COSTS, AND FUNDING INDEMNITY .

Section 4.1. Taxes .

(a) *Certain Defined Terms.* For purposes of this Section, the term "Lender" includes the Administrative Agent (to the extent it receives payments hereunder or under any other Loan Document in its capacity as such) any L/C Issuer and the term "applicable law" includes FATCA.

(b) *Payments Free of Taxes.* Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable

Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(c) *Payment of Other Taxes by the Loan Parties.* The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(d) *Indemnification by the Loan Parties.* The Loan Parties shall jointly and severally indemnify each Recipient, within ten (10) Business Days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any 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 setting forth in reasonable detail the basis for and amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) *Indemnification by the Lenders.* Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes or Other Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes or Other Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.2(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such 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 any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this subsection (e).

(f) *Evidence of Payments.* As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section, such Loan Party 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.

(g) *Status of Lenders.* (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the 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 4.1(g)(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 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), properly completed and duly executed copies 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, properly completed and duly executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable, 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, properly completed and duly executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits", "other income" or other applicable article of such tax treaty;

(ii) properly completed and duly executed copies 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) properly completed and duly executed copies of IRS Form W-8BEN; or

(iv) to the extent a Foreign Lender is not the beneficial owner, properly completed and duly executed copies 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 classified as a partnership for U.S. federal income tax purposes 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 copies 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.

(h) *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 (including by the payment of additional amounts pursuant to this Section),

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) such indemnified party incurred in connection with such refund 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 subsection (h) (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 subsection (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this subsection (h) 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 Tax subject to indemnification had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts giving rise to such refund had never been paid. This subsection 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.

(i) *Survival.* Each party's obligations under this Section shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 4.2. Change of Law . Notwithstanding any other provisions of this Agreement or any other Loan Document, if at any time any Change in Law makes it unlawful for any Lender to make or continue to maintain any SOFR Loans or to perform its obligations as contemplated hereby, such Lender shall promptly give notice thereof to the Borrower and such Lender's obligations to make or maintain SOFR Loans under this Agreement shall be suspended until it is no longer unlawful for such Lender to make or maintain SOFR Loans. The Borrower shall prepay on demand the outstanding principal amount of any such affected SOFR Loans, together with all interest accrued thereon and all other amounts then due and payable to such Lender under this Agreement; *provided, however,* subject to all of the terms and conditions of this Agreement, the Borrower may then elect to borrow the principal amount of the affected SOFR Loans from such Lender by means of Base Rate Loans from such Lender, which Base Rate Loans shall not be made ratably by the Lenders but only from such affected Lender.

Section 4.3. Inability to Determine Rates; Effect of Benchmark Transition Event . (a) Subject to Section 4.3(b), if, on or prior to the first day of any Interest Period for any SOFR Loan:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent demonstrable error) that "Term SOFR" cannot be determined pursuant to the definition thereof, or

(ii) the Required Lenders determine that for any reason in connection with any request for a SOFR Loan or a conversion thereto or a continuation thereof that Term SOFR for any requested Interest Period with respect to a proposed SOFR Loan does not

adequately and fairly reflect the cost to such Lenders of funding such Loan, and the Required Lenders have provided notice of such determination to the Administrative Agent,

then the Administrative Agent will promptly so notify the Borrower and each Lender. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make or continue SOFR Loans shall be suspended (to the extent of the affected SOFR Loans and, in the case of a SOFR Loan, the affected Interest Periods) until the Administrative Agent revokes such notice (it being understood that the Administrative Agent shall promptly revoke such notice at such time as the circumstances giving rise to such notice no longer exist). Upon receipt of such notice, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loans and, in the case of a SOFR Loan, the affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans in the amount specified therein and (ii) any outstanding affected SOFR Loans will be deemed to have been converted into Base Rate Loans immediately or, in the case of a SOFR Loan, at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay any additional amounts required pursuant to Section 4.5.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document (and any interest rate swap agreement shall be deemed not to be a "Loan Document" for the purposes of this Section 4.3(b)):

(i) *Benchmark Replacement*. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the applicable time for any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided by the Administrative Agent to the Lenders and the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments in respect thereof will be payable on the last day of every calendar month.

(ii) *Benchmark Replacement Conforming Changes.* In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the

Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(iii) *Notice; Standards for Decisions and Determinations.* The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to this Section 4.3(b) and (v) the commencement or conclusion of any Benchmark Unavailability Period. Except as expressly provided otherwise in this Agreement, any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 4.3(b), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole good faith discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 4.3(b).

(iv) *Unavailability of Tenor of Benchmark.* Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service commonly used in the banking industry for such purpose that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion and consistent with such selection generally under other substantially similar syndicated credit facilities for which it acts as the administrative agent or (B) the administration of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) *Benchmark Unavailability Period*. Upon the Borrower's receipt of notice from the Administrative Agent in accordance with this Agreement of the commencement

of a Benchmark Unavailability Period, until a Benchmark Replacement is determined in accordance with this Section 4.3(b), the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

Section 4.4. Increased Costs .

(a) *Increased Costs Generally.* If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender or any L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or any L/C Issuer or the interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or 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 or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender, such L/C Issuer or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, L/C Issuer or other Recipient hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, L/C Issuer or other Recipient, the Borrower will pay to such Lender, L/C Issuer or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, L/C Issuer or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) *Capital Requirements.* If any Lender or L/C Issuer determines that any Change in Law affecting such Lender or L/C Issuer or any lending office of such Lender or such Lender's or L/C Issuer's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's or L/C Issuer's capital or on the capital of such Lender's or L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by any L/C Issuer, to a level below that which such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such

Lender's or L/C Issuer's policies and the policies of such Lender's or L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company for any such reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of a Lender or L/C Issuer setting forth in reasonable detail the basis for its reimbursement claim and the amount or amounts necessary to compensate such Lender or L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay such Lender or L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) Business Days after receipt thereof.

(d) *Delay in Requests.* Failure or delay on the part of any Lender or L/C Issuer to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or L/C Issuer's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender or L/C Issuer pursuant to this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or L/C Issuer, 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 L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

Section 4.5. Funding Indemnity . If any Lender shall incur any loss, cost or expense (including, without limitation, any loss, cost or expense incurred by reason of the liquidation or re-employment of deposits or other funds acquired by such Lender to fund or maintain any SOFR Loan or Swingline Loan bearing interest at the Swingline Lender's Quoted Rate or the relending or reinvesting of such deposits or amounts paid or prepaid to such Lender) as a result of:

(a) any payment, prepayment or conversion of a SOFR Loan or such Swingline Loan on a date other than the last day of its Interest Period,

(b) any failure (because of a failure to meet the conditions of Section 7 or otherwise) by the Borrower to borrow or continue a SOFR Loan or such Swingline Loan, or to convert a Base Rate Loan into a SOFR Loan or such Swingline Loan on the date specified in a notice given pursuant to Section 2.6(a) or 2.2(b),

(c) any failure by the Borrower to make any payment of principal on any SOFR Loan or such Swingline Loan when due (whether by acceleration or otherwise), or

(d) any acceleration of the maturity of a SOFR Loan or such Swingline Loan as a result of the occurrence of any Event of Default hereunder,

then, upon the demand of such Lender, the Borrower shall pay to such Lender such amount as will reimburse such Lender for such loss, cost or expense. If any Lender makes such a claim for

compensation, it shall provide to the Borrower, with a copy to the Administrative Agent, a certificate setting forth the amount of such loss, cost or expense in reasonable detail and the amounts shown on such certificate shall be conclusive absent manifest error.

Section 4.6. Discretion of Lender as to Manner of Funding.

Notwithstanding any other provision of this Agreement, each Lender shall be entitled to fund and maintain its funding of all or any part of its Loans in any manner it sees fit, it being understood, however, that for the purposes of this Agreement all determinations hereunder with respect to SOFR Loans shall be made as if each Lender had actually funded and maintained each SOFR Loan through the purchase of deposits in the interbank market having a maturity corresponding to such Loan's Interest Period, and bearing an interest rate equal to Term SOFR for such Interest Period.

Section 4.7. Lending Offices; Mitigation Obligations . Each Lender may, at its option, elect to make its Loans hereunder at the branch, office or affiliate specified in its Administrative Questionnaire (each a *"Lending Office"*) for each type of Loan available hereunder or at such other of its branches, offices or affiliates as it may from time to time elect and designate in a written notice to the Borrower and the Administrative Agent. If any Lender requests compensation under Section 4.4, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 4.1, then such Lender shall (at the request of the Borrower) 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 4.1 or 4.4, 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.

SECTION 5. PLACE AND APPLICATION OF PAYMENTS .

Section 5.1. Place and Application of Payments . All payments of principal of and interest on the Loans and the Reimbursement Obligations, and all other Obligations payable by the Borrower under this Agreement and the other Loan Documents, shall be made by the Borrower to the Administrative Agent by no later than 12:00 Noon (Chicago time) on the due date thereof at the office of the Administrative Agent in Chicago, Illinois (or such other location as the Administrative Agent may designate to the Borrower), for the benefit of the Lender(s) or L/C Issuer entitled thereto. Any payments received after such time shall be deemed to have been received by the Administrative Agent on the next Business Day. All such payments shall be made in U.S. Dollars, in immediately available funds at the place of payment, in each case without set-off or counterclaim. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest on Loans and on Reimbursement Obligations in which the Lenders have purchased Participating Interests ratably to the Lenders and like funds relating to the payment of any other amount payable to any Lender to such Lender, in each case to be applied in accordance with the terms of this Agreement. 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 L/C Issuers 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 L/C Issuers, as the case may be, the amount due. With respect to any payment that the Administrative Agent makes to any Lender or L/C Issuer as to which the Administrative Agent determines (in its sole and absolute discretion) that any of the following applies (such payment referred to as the *"Rescindable Amount"*): (1) the Borrower has not in fact made the corresponding payment to the Administrative Agent; (2) the Administrative Agent has made a payment in excess of the amount(s) received by it from the Borrower either individually or in the aggregate (whether or not then owed); or (3) the Administrative Agent has for any reason otherwise erroneously made such payment; then each of the Lenders or L/C Issuers severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount so distributed to such Lender or L/C Issuer, in immediately available funds 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 Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

Section 5.2. Non-Business Days. Subject to the definition of Interest Period, if any payment hereunder becomes due and payable on a day which is not a Business Day, the due date of such payment shall be extended to the next succeeding Business Day on which date such payment shall be due and payable. In the case of any payment of principal falling due on a day which is not a Business Day, interest on such principal amount shall continue to accrue during such extension at the rate per annum then in effect, which accrued amount shall be due and payable on the next scheduled date for the payment of interest.

Section 5.3. Payments Set Aside . To the extent that any payment by or on behalf of the Borrower or any other Loan Party is made to the Administrative Agent, any L/C Issuer or any Lender, or the Administrative Agent, any L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, such L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and each L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation for each such day.

Section 5.4. Account Debit . The Borrower hereby irrevocably authorizes the Administrative Agent to charge any of the Borrower's deposit accounts maintained with BMO Bank N.A. for the amounts from time to time necessary to pay any then due Obligations; *provided* that the Borrower acknowledges and agrees that the Administrative Agent shall not be under an

obligation to do so and the Administrative Agent shall not incur any liability to the Borrower or any other Person for the Administrative Agent's failure to do so.

SECTION 6. REPRESENTATIONS AND WARRANTIES .

Each Loan Party represents and warrants to the Administrative Agent and the Lenders as follows:

Section 6.1. Organization and Qualification . Each Loan Party is duly organized, validly existing, and in good standing as a corporation, limited liability company, or partnership, as applicable, under the laws of the jurisdiction in which it is organized, has full and adequate power to own its Property and conduct its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying, except where the failure to do so would not have a Material Adverse Effect.

Section 6.2. Subsidiaries . Each Subsidiary that is not a Loan Party is duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized, has full and adequate power to own its Property and conduct its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying, except where the failure to do so would not have a Material Adverse Effect. Schedule 6.2 hereto identifies each Subsidiary (including Subsidiaries that are Loan Parties), the jurisdiction of its organization, the percentage of issued and outstanding shares of each class of its capital stock or other equity interests owned by any Loan Party and its Subsidiaries and, if such percentage is not 100% (excluding directors' qualifying shares as required by law), a description of each class of its authorized capital stock and other equity interests and the number of shares of each class issued and outstanding. All of the outstanding shares of capital stock and other equity interests of each Subsidiary are validly issued and outstanding and fully paid and nonassessable and all such shares and other equity interests indicated on Schedule 6.2 as owned by the relevant Loan Party or another Subsidiary are owned, beneficially and of record, by such Loan Party or such Subsidiary free and clear of all Liens other than the Liens granted in favor of the Administrative Agent pursuant to the Collateral Documents or otherwise permitted by this Agreement. There are no outstanding commitments or other obligations of any Subsidiary to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other equity interests of any Subsidiary. The Inactive Subsidiaries have no or only de minimis assets or business operations and generate no revenue.

Section 6.3. Authority and Validity of Obligations . Each Loan Party has full right and authority to enter into this Agreement and the other Loan Documents executed by it, to make the borrowings herein provided for (in the case of the Borrower), to guarantee the Secured Obligations (in the case of each Guarantor), to grant to the Administrative Agent the Liens described in the Collateral Documents executed by such Loan Party, and to perform all of its obligations hereunder and under the other Loan Documents executed by it. The Loan Documents delivered by the Loan Parties and their Subsidiaries have been duly authorized, executed, and delivered by such Persons and constitute valid and binding obligations of such Loan Parties and their Subsidiaries enforceable

against each of them in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law); and this Agreement and the other Loan Documents do not, nor does the performance or observance by any Loan Party or any Subsidiary of any of the matters and things herein or therein provided for, (a) contravene or constitute a default under any provision of law or any judgment, injunction, order or decree binding upon any Loan Party or any Subsidiary of a Loan Party or any provision of the organizational documents (*e.g.,* charter, certificate or articles of incorporation and by-laws, certificate or articles of association and operating agreement, partnership agreement, or other similar organizational documents) of any Loan Party or any Subsidiary of a Loan Party, (b) contravene or constitute a default under any covenant, indenture or agreement of or affecting any Loan Party or any Subsidiary of a Loan Party or any of their respective Property, in each case where such contravention or default, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, or (c) result in the creation or imposition of any Lien on any Property of any Loan Party or any Subsidiary of a Loan Party other than the Liens granted in favor of the Administrative Agent pursuant to the Collateral Documents.

Section 6.4. Use of Proceeds; Margin Stock. The Borrower shall use the proceeds of (a) the Term A Loans to (i) refinance certain indebtedness of the Borrower and (ii) fund certain fees and expenses associated with the closing of this Agreement, (b) the Revolving Facility to (i) refinance certain existing indebtedness of the Loan Parties, (ii) fund certain fees and expenses associated with the closing of this Agreement, (iii) provide for working capital, (iv) finance Capital Expenditures and Permitted Acquisitions, and (v) finance other general corporate purposes of the Borrower and its Subsidiaries, and (c) the Delayed Draw Term Loan Facility to finance Capital Expenditures, Permitted Acquisitions and other investments permitted hereunder. No Loan Party nor any of its Subsidiaries is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Loan or any other extension of credit made hereunder will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying any such margin stock. Margin stock (as hereinabove defined) constitutes less than 25% of the assets of the Loan Parties and their Subsidiaries which are subject to any limitation on sale, pledge or other restriction hereunder.

Section 6.5. Financial Reports . The consolidated balance sheet of the Loan Parties and their Subsidiaries as at December 27, 2024, and the related consolidated statements of income, retained earnings and cash flows of the Loan Parties and their Subsidiaries for the Fiscal Year then ended, and accompanying notes thereto, which financial statements are accompanied by the audit report of Crowe LLP, independent public accountants, fairly present in all material respects the consolidated financial condition of the Loan Parties and their Subsidiaries as at said date and the consolidated results of their operations and cash flows for the period then ended in conformity with GAAP applied on a consistent basis. No Loan Party nor any of its Subsidiaries has contingent liabilities which are material to it that are required to be disclosed by GAAP other than as indicated on such financial statements or, with respect to future periods, on the financial statements furnished pursuant to Section 8.5.

Section 6.6. No Material Adverse Change . Since December 27, 2024, there has been no event or circumstance that, either individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect.

Section 6.7. Full Disclosure . (a) The statements and information furnished to the Administrative Agent and the Lenders in connection with the negotiation of this Agreement and the other Loan Documents and the commitments by the Lenders to provide all or part of the financing contemplated hereby do not contain any untrue statements of a material fact or omit a material fact necessary to make the material statements contained herein or therein not misleading, the Administrative Agent and the Lenders acknowledging that as to any projections furnished to the Administrative Agent and the Lenders, the Borrower only represents that the same were prepared on the basis of information and estimates the Borrower believed to be reasonable.

(b) As of the Closing Date, the information included in the Beneficial Ownership Certification most recently delivered to the Administrative Agent by the Borrower on or prior to the Closing Date is true and correct in all respects.

Section 6.8. Trademarks, Franchises, and Licenses . The Loan Parties and their Subsidiaries own, possess, or have the right to use all necessary patents, licenses, franchises, trademarks, trade names, trade styles, copyrights, trade secrets, know how, and confidential commercial and proprietary information to conduct their businesses as now conducted, without known conflict with any patent, license, franchise, trademark, trade name, trade style, copyright or other proprietary right of any other Person.

Section 6.9. Governmental Authority and Licensing . The Loan Parties and their Subsidiaries have received all licenses, permits, and approvals of all federal, state, and local governmental authorities, if any, necessary to conduct their businesses, in each case where the failure to obtain or maintain the same could reasonably be expected to have a Material Adverse Effect. No investigation or proceeding which, if adversely determined, could reasonably be expected to result in revocation or denial of any material license, permit or approval is pending or, to the knowledge of the any Loan Party, threatened.

Section 6.10. Good Title . The Loan Parties and their Subsidiaries have good and defensible title (or valid leasehold interests) to their assets as reflected on the most recent consolidated balance sheet of the Loan Parties and their Subsidiaries furnished to the Administrative Agent and the Lenders (except for sales of assets in the ordinary course of business), subject to no Liens other than such thereof as are permitted by Section 8.8. As of the Closing Date, no Loan Party owns any real property other than as described on Schedule 6.10.

Section 6.11. Litigation and Other Controversies . There is no litigation or governmental or arbitration proceeding or labor controversy pending, nor to the knowledge of any Loan Party threatened, against any Loan Party or any Subsidiary of a Loan Party or any of their respective Property which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 6.12. Taxes . All U.S. federal, state income and other material Tax returns required to be filed by any Loan Party or any Subsidiary of a Loan Party in any jurisdiction have, in fact, been filed, and all Taxes upon any Loan Party or any Subsidiary of a Loan Party or upon any of their respective Property, income or franchises, which are shown to be due and payable in such returns, have been paid, except (i) such Taxes as are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and as to which adequate reserves established in accordance with GAAP have been provided or (ii) to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect. No Loan Party knows of any proposed additional Tax assessment against it or its Subsidiaries for which adequate provisions in accordance with GAAP have not been made on their accounts. Adequate provisions in accordance with GAAP for Taxes on the books of each Loan Party and each of its Subsidiaries have been made for all open years, and for its current fiscal period.

Section 6.13. Approvals . No authorization, consent, license or exemption from, or filing or registration with, any court or governmental department, agency or instrumentality, nor any approval or consent of any other Person, is or will be necessary to the valid execution, delivery or performance by any Loan Party or any Subsidiary of a Loan Party of any Loan Document, except for (i) such approvals which have been obtained prior to the date of this Agreement and remain in full force and effect and (ii) filings which are necessary to perfect the security interests under the Collateral Documents.

Section 6.14. Affiliate Transactions . No Loan Party nor any of its Subsidiaries is a party to any contracts or agreements with any of its Affiliates that is not a Loan Party on terms and conditions which are less favorable to such Loan Party or such Subsidiary than would be usual and customary in similar contracts or agreements between Persons not affiliated with each other.

Section 6.15. Investment Company . No Loan Party nor any of its Subsidiaries is an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 6.16. ERISA . (a) Each Loan Party and each other member of its Controlled Group has fulfilled its obligations under the minimum funding standards of and is in compliance in all material respects with ERISA and the Code to the extent applicable to it and has not incurred any liability to the PBGC or a Plan under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA. No Loan Party nor any of its Subsidiaries has any contingent liabilities with respect to any post-retirement benefits under a Welfare Plan, other than liability for continuation coverage described in article 6 of Title I of ERISA.

(b) As of the Closing Date, the Borrower is not and will not be using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to the Borrower's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement.

Section 6.17. Compliance with Laws . (a) The Loan Parties and their Subsidiaries are in compliance with all Legal Requirements applicable to or pertaining to their Property or business

operations, where any non-compliance, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) Except for such matters, individually or in the aggregate, which could not reasonably be expected to result in a Material Adverse Effect, the Loan Parties represent and warrant that: (i) the Loan Parties and their Subsidiaries, and each of the Premises, comply with all applicable Environmental Laws; (ii) the Loan Parties and their Subsidiaries have obtained, maintain in full force and effect, and are in compliance with all approvals, permits, or authorizations of Governmental Authorities required for their operations and each of the Premises; (iii) the Loan Parties and their Subsidiaries have not, and no Loan Party has knowledge of any other Person who has, caused any Release, threatened Release or disposal of any Hazardous Material at, on, or from any of the Premises in any material quantity and, to the knowledge of each Loan Party, none of the Premises are adversely affected by any such Release, threatened Release or disposal of a Hazardous Material; (iv) the Loan Parties and their Subsidiaries are not subject to and have no notice or knowledge of any Environmental Claim involving any Loan Party or any Subsidiary of a Loan Party or any of the Premises, and there are no conditions or occurrences at any of the Premises which could reasonably be anticipated to form the basis for such an Environmental Claim; (v) none of the Premises contain and have contained any: (1) underground storage tanks, (2) material amounts of asbestos containing building material, (3) pits, ponds, lagoons, landfills or dumps, (4) hazardous waste management facilities as defined pursuant to any Environmental Law, or (5) sites on or nominated for the National Priority List or similar state list; (vi) the Loan Parties and their Subsidiaries have not used a material quantity of any Hazardous Material and have conducted no Hazardous Material Activity at any of the Premises; (vii) none of the Premises are subject to any, and no Loan Party has knowledge of any imminent restriction on the ownership, occupancy, use or transferability of the Premises in connection with any (1) Environmental Law or (2) Release, threatened Release or disposal of a Hazardous Material; (viii) there are no conditions or circumstances at any of the Premises which pose an unreasonable risk to the environment or the health or safety of Persons; (ix) there is no microbial matter at any of the Premises that is subject to remediation under applicable Environmental Law or guidance; and (x) the Loan Parties and their Subsidiaries have no knowledge of any capital expenditures necessary to bring the Premises or their respective business or equipment into compliance with Environmental Laws. The Loan Parties have delivered to the Administrative Agent complete and accurate copies of all material environmental reports, studies, assessments and investigation results in the Loan Parties' possession or control and that relate to any Loan Party's or Subsidiary's operations or to any of the Premises.

(c) Each Loan Party and each of its Subsidiaries is in material compliance with all Anti-Corruption Laws. Each Loan Party and each of its Subsidiaries has implemented and maintains in effect policies and procedures designed to ensure compliance by each Loan Party, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws. No Loan Party nor any Subsidiary has made a payment, offering, or promise to pay, or authorized the payment of, money or anything of value (i) in order to assist in obtaining or retaining business for or with, or directing business to, any foreign official, foreign political party, party official or candidate for foreign political office, (ii) to a foreign official, foreign political party or party official or any candidate for foreign political office, and (iii) with the intent to induce the recipient

to misuse his or her official position to direct business wrongfully to such Loan Party or such Subsidiary or to any other Person, in violation of any Anti-Corruption Laws.

Section 6.18. Sanctions . (a) Each Loan Party is in compliance in all material respects with the requirements of all Sanctions Programs applicable to it, (b) each Subsidiary of each Loan Party is in compliance in all material respects with the requirements of all Sanctions Programs applicable to such Subsidiary, (c) each Loan Party has provided to the Administrative Agent, the L/C Issuer, and the Lenders all information requested by them regarding such Loan Party and its Affiliates and Subsidiaries necessary for the Administrative Agent, the L/C Issuer, and the Lenders to comply with all applicable Sanctions Programs, and (d) no Loan Party nor any of its Subsidiaries nor, to the knowledge of any Loan Party, any officer, director or Affiliate of any Loan Party or any of its Subsidiaries, is a Person, that is, or is owned or controlled by Persons that are, (i) the target of any Sanctions Programs or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of any Sanctions Programs (which includes, as of the Closing Date, Crimea, the so-called Luhansk People's Republic, the so-called Donetsk People's Republic, Cuba, Iran, North Korea and Syria).

Section 6.19. Labor Matters . There are no strikes, lockouts or slowdowns against any Loan Party or any Subsidiary of a Loan Party pending or, to the knowledge of any Loan Party, threatened that could, in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 6.19, as of the Closing Date there are no collective bargaining agreements in effect between any Loan Party or any Subsidiary of a Loan Party and any labor union; and as of the Closing Date no Loan Party nor any of its Subsidiaries is under any obligation to assume any collective bargaining agreement to or conduct any negotiations with any labor union with respect to any future collective bargaining agreements. Following the Closing Date no Loan Party is under any obligation to assume any collective bargaining agreement or to conduct any negotiations with any labor union with respect to any future collective bargaining agreement except, in each case, as could not reasonably be expected to have a Material Adverse Effect. Each Loan Party and its Subsidiaries have remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax, employment insurance, and pension plan contributions), goods and services tax and all other amounts which if not paid when due could result in the creation of a Lien against any of its Property, except for Liens permitted by Section 8.8.

Section 6.20. Other Agreements . No Loan Party nor any of its Subsidiaries is in default under the terms of any covenant, indenture or agreement of or affecting such Person or any of its Property, which default if uncured could reasonably be expected to have a Material Adverse Effect.

Section 6.21. Solvency. Upon giving effect to the initial Credit Event on the Closing Date (if any) and the transactions contemplated hereby, the Loan Parties and their Subsidiaries, on a consolidated basis, are solvent, able to pay their debts as they become due, and have sufficient capital to carry on their business and all businesses in which they are about to engage.

Section 6.22. No Default . No Default has occurred and is continuing.

Section 6.23. No Broker Fees. No broker's or finder's fee or commission will be payable with respect hereto or any of the transactions contemplated thereby; and the Loan Parties hereby agree to indemnify the Administrative Agent, the L/C Issuer, and the Lenders against, and agree that they will hold the Administrative Agent, the L/C Issuer, and the Lenders harmless from, any claim, demand, or liability for any such broker's or finder's fees alleged to have been incurred in connection herewith or therewith and any expenses (including reasonable attorneys' fees) arising in connection with any such claim, demand, or liability.

Section 6.24. Security Documents . (a) The Security Agreement is effective to create in favor of the Administrative Agent, acting on behalf of the holders of the Secured Obligations, legal, valid and enforceable Liens on, and security interests in, the Collateral (as defined in the Security Agreement) and, (i) when financing statements and other filings in appropriate form are filed in the appropriate offices, and (ii) upon the taking of possession or control by the Administrative Agent of the Collateral (as defined in the Security Agreement) with respect to which a security interest may be perfected only by possession or control, the Liens created by the Security Agreement shall constitute fully perfected Liens on, and security interests in, all right, title and interest of the grantors thereunder in the Collateral (as defined in the Security Agreement) (other than (A) the patents, trademarks, tradestyles, copyrights, and other intellectual property rights (including all registrations and applications therefor) and (B) such Collateral (as defined in the Security Agreement) in which a security interest cannot be perfected under the UCC as in effect at the relevant time in the relevant jurisdiction or in respect of which perfection is not required at such time by this Agreement or the Security Agreement), in each case subject to no Liens other than those permitted by Section 8.8 hereof.

(b) When (i) the Security Agreement or a short form thereof is filed in the United States Patent and Trademark Office and the United States Copyright Office, as applicable, and (ii) financing statements and other filings in appropriate form are filed in the applicable offices, the Liens created by such Security Agreement shall constitute fully perfected Liens on, and security interests in, all right, title and interest of the grantors thereunder in the patents, trademarks, tradestyles, copyrights, and other intellectual property rights (including all registrations and applications therefor), in each case subject to no Liens other than those permitted by Section 8.8 hereof.

Section 6.25. Bonding Capacity . The Borrower and its Subsidiaries have available bonding capacity under one or more Bonding Agreements in an amount sufficient to operate their respective businesses in the ordinary course. The Borrower and its Subsidiaries are in compliance in all material respects with all terms and conditions set forth in each Bonding Agreement and no default has occurred thereunder.

SECTION 7. CONDITIONS PRECEDENT .

Section 7.1. All Credit Events . At the time of each Credit Event hereunder:

(a) each of the representations and warranties set forth herein and in the other Loan Documents shall be and remain true and correct in all material respects as of said time (where not already qualified by materiality, otherwise in all respects), except to the

extent the same expressly relate to an earlier date, in which case they shall be true and correct in all material respects (where not already qualified by materiality, otherwise in all respects) as of such earlier date;

(b) no Default shall have occurred and be continuing or would occur as a result of such Credit Event;

(c) after giving effect to such extension of credit the aggregate principal amount of all Swingline Loans, Revolving Loans and L/C Obligations outstanding under this Agreement shall not exceed the Revolving Credit Commitments then in effect;

(d) in the case of a Borrowing (other than a Swingline Loan pursuant to a Sweep to Loan Arrangement or a refunding of a Swingline Loan with a Revolving Loan pursuant to Section 2.2(b)(iii)) the Administrative Agent shall have received the notice required by Section 2.6, in the case of the issuance of any Letter of Credit the L/C Issuer shall have received a duly completed Application for such Letter of Credit together with any fees called for by Section 3.1, and, in the case of an extension or increase in the amount of a Letter of Credit, a written request therefor in a form acceptable to the L/C Issuer together with fees called for by Section 3.1;

(e) such Credit Event shall not violate any order, judgment or decree of any court or other authority or any provision of law or regulation applicable to the Administrative Agent, the L/C Issuer or any Lender (including, without limitation, Regulation U of the Board of Governors of the Federal Reserve System) as then in effect; and

(f) additionally, in the case of a Borrowing of a Delayed Draw Term Loan, the Administrative Agent shall have received immediately prior to giving effect to any such Delayed Draw Term Loan, the following documents:

(i) evidence reasonably satisfactory to the Administrative Agent that, upon giving effect to the Delayed Draw Term Loan, the Loan Parties shall be in compliance with the financial covenants contained in Section 8.23 on a *pro forma* basis, calculated using the required covenant compliance levels for the next succeeding test date and, that the Total Net Leverage Ratio shall be no greater than 3.00 to 1.00 (or, if applicable, 3.25 to 1.00 to the extent a Total Net Leverage Ratio Adjustment is then in effect in accordance with Section 8.23(a)); and

(ii) a description of (in form and substance reasonably satisfactory to the Administrative Agent) the use of proceeds of such Delayed Draw Term Loan.

Each request for a Borrowing hereunder and each request for the issuance of, increase in the amount of, or extension of the expiration date of, a Letter of Credit shall be deemed to be a representation and warranty by the Borrower on the date on such Credit Event as to the facts specified in subsections (a) through (d) (and with respect to a Borrowing of a Delayed Draw Term Loan, subsection (f), both inclusive, of this Section; *provided, however,* that the Lenders may

continue to make advances under the Revolving Facility, in the sole discretion of the Lenders with Revolving Credit Commitments, notwithstanding the failure of the Borrower to satisfy one or more of the conditions set forth above and any such advances so made shall not be deemed a waiver of any Default or other condition set forth above that may then exist.

Section 7.2. Effective Date. The obligations of the Lenders to make Loans and of the L/C Issuer to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 13.3):

(a) the Administrative Agent shall have received this Agreement duly executed by the Loan Parties, the L/C Issuer, and the Lenders;

(b) if requested by any Lender, the Administrative Agent shall have received for such Lender such Lender's duly executed Notes of the Borrower dated the date hereof and otherwise in compliance with the provisions of Section 2.10;

(c) the Administrative Agent shall have received the Master Reaffirmation Agreement duly executed by the relevant Loan Parties, together with, to the extent not previously delivered, (i) copies of stock certificates or other similar instruments or securities representing all of the issued and outstanding shares of capital stock or other equity interests in each Subsidiary constituting Collateral (limited in the case of any first tier Foreign Subsidiary to 66% of the Voting Stock and 100% of any other equity interests as provided in Section 12.1) as of the Closing Date, (ii) copies of stock powers executed in blank and undated for the Collateral consisting of the certificated stock or other equity interest in each Subsidiary, (iii) UCC financing statements to be filed against each Loan Party, as debtor, in favor of the Administrative Agent, as secured party, and (iv) copies of patent, trademark, and copyright collateral agreements to the extent requested by the Administrative Agent;

(d) the Administrative Agent shall have received evidence of insurance for the Loan Parties in form and substance reasonably satisfactory to the Administrative Agent;

(e) the Administrative Agent shall have received copies of each Loan Party's articles of incorporation and bylaws (or comparable organizational documents) and any amendments thereto, certified in each instance by its Secretary or Assistant Secretary (or comparable Responsible Officer);

(f) the Administrative Agent shall have received copies of resolutions of each Loan Party's board of directors (or similar governing body) authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, together with specimen signatures of the persons authorized to execute such documents on each Loan Party's behalf, all certified in each instance by an authorized officer;

(g) the Administrative Agent shall have received copies of the certificates of good standing for each Loan Party (dated no earlier than 30 days prior to the date hereof,

or such earlier date as the Administrative Agent may agree to in its discretion) from the office of the secretary of the state of its incorporation or organization;

(h) the Administrative Agent shall have received the initial fees called for by Section 3.1;

(i) the Administrative Agent shall have received (i) audited annual financial statements (including an income statement, a balance sheet, and a cash flow statement) of the Borrower and its Subsidiaries for the prior three (3) Fiscal Years and (ii) five (5) year projected financial statements of the Borrower and its Subsidiaries;

(j) the Administrative Agent shall be satisfied that there has been no Material Adverse Effect with respect to the Borrower and its Subsidiaries (taken as a whole) since the most recently completed audit for fiscal year end December 27, 2024;

(k) the Administrative Agent shall have received financing statement, tax, and judgment lien search results against each Loan Party and its Property evidencing the absence of Liens thereon except as permitted by Section 8.8;

(l) the Administrative Agent shall have received the favorable written opinion of counsel to each Loan Party, in form and substance reasonably satisfactory to the Administrative Agent;

(m) (i) each of the Lenders shall have received, sufficiently in advance of the Closing Date, all documentation and other information requested at least 10 Business Days prior to the Closing Date by any such Lender required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the United States Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) including, without limitation, the information described in Section 13.24; and the Administrative Agent shall have received a fully executed Internal Revenue Service Form W-9 (or its equivalent) for the Borrower and each other Loan Party, and (ii) to the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, sufficiently in advance of the Closing Date, any Lender that has requested, in a written notice to the Borrower, a Beneficial Ownership Certification in relation to the Borrower shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (ii) shall be deemed to be satisfied);

(n) the Administrative Agent shall have received a reasonably satisfactory solvency certificate of the Borrower and its Subsidiaries on a consolidated basis upon giving effect to the initial Credit Event on the Closing Date (if any) and the transactions contemplated hereby, certified as of the Closing Date by an authorized representative of the Borrower; and

(o) the Administrative Agent shall have received such other agreements, instruments, documents, certificates, and opinions as the Administrative Agent may reasonably request.

SECTION 8. COVENANTS .

Each Loan Party agrees that, so long as any credit is available to or in use by the Borrower hereunder, except to the extent compliance in any case or cases is waived in writing pursuant to the terms of Section 13.3:

Section 8.1. Maintenance of Business . Each Loan Party shall, and shall cause each of its Subsidiaries to, preserve and maintain its existence, except as otherwise provided in Section 8.10(c); provided, however, that nothing in this Section shall prevent the Borrower from dissolving any of its Subsidiaries if such action is, in the reasonable business judgment of the Borrower, desirable in the conduct of its business and is not disadvantageous in any material respect to the Lenders. Each Loan Party shall, and shall cause each of its Subsidiaries to, preserve and keep in force and effect all licenses, permits, franchises, approvals, patents, trademarks, trade names, trade styles, copyrights, and other proprietary rights necessary to the proper conduct of its business where the failure to do so could reasonably be expected to have a Material Adverse Effect.

Section 8.2. Maintenance of Properties . Each Loan Party shall, and shall cause each of its Subsidiaries to, maintain, preserve, and keep its property, plant, and equipment in good repair, working order and condition (ordinary wear and tear excepted), and shall from time to time make all needful and proper repairs, renewals, replacements, additions, and betterments thereto so that at all times the efficiency thereof shall be fully preserved and maintained, except to the extent that, in the reasonable business judgment of such Person, any such Property is no longer necessary for the proper conduct of the business of such Person.

*Section 8.3. Taxes and Assessment*s . Each Loan Party shall duly pay and discharge, and shall cause each of its Subsidiaries to duly pay and discharge, all Taxes, rates, assessments, fees, and governmental charges upon or against it or its Property, in each case before the same become delinquent and before penalties accrue thereon, unless and to the extent that (i) the same are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves are provided therefor or (ii) the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 8.4. Insurance . (a) Each Loan Party shall insure and keep insured, and shall cause each of its Subsidiaries to insure and keep insured, with good and responsible insurance companies, all insurable Property owned by it which is of a character usually insured by Persons similarly situated and operating like Properties against loss or damage from such hazards and risks (including, without limitation, flood hazard insurance with respect to all Premises subject to a Mortgage that is in a special flood hazard zone, from such providers, on such terms and in such amounts as required by the Flood Disaster Protection Act as amended from time to time or as otherwise reasonably required by the Lenders), and in such amounts, as are insured by Persons similarly situated and operating like Properties, but in no event at any time in an amount less than the replacement value of the Collateral. Each Loan Party shall also maintain, and shall cause each

of its Subsidiaries to maintain, insurance with respect to the business of such Loan Party and its Subsidiaries, covering commercial general liability, statutory worker's compensation and occupational disease, statutory structural work act liability, and business interruption and such other risks with good and responsible insurance companies, in such amounts and on such terms as the Administrative Agent shall reasonably request, but in any event as and to the extent usually insured by Persons similarly situated and conducting similar businesses. The Loan Parties shall in any event maintain insurance on the Collateral to the extent required by the Collateral Documents. All such policies of insurance shall contain satisfactory mortgagee/lender's loss payable endorsements, naming the Administrative Agent (or its security trustee) as mortgagee or a loss payee, assignee or additional insured, as appropriate, as its interest may appear, and showing only such other loss payees, assignees and additional insureds as are reasonably satisfactory to the Administrative Agent. Each policy of insurance or endorsement shall contain a clause requiring the insurer to give not less than thirty (30) days' (ten (10) days' in the case of nonpayment of insurance premiums) prior written notice to the Administrative Agent in the event of cancellation of the policy for any reason whatsoever and a clause specifying that the interest of the Administrative Agent shall not be impaired or invalidated by any act or neglect of any Loan Party or any Subsidiary of a Loan Party, or the owner of the premises or Property or by the occupation of the premises for purposes more hazardous than are permitted by said policy. The Borrower shall deliver to the Administrative Agent (i) on the Closing Date and at such other times as the Administrative Agent shall reasonably request, certificates evidencing the maintenance of insurance required hereunder, (ii) prior to the termination of any such policies, certificates evidencing the renewal thereof, and (iii) promptly following request by the Administrative Agent, copies of all insurance policies of the Loan Parties and their Subsidiaries. The Borrower also agrees to deliver to the Administrative Agent, promptly as rendered, true copies of all reports made in any reporting forms to insurance companies.

Section 8.5. Financial Reports . The Loan Parties shall, and shall cause each of their Subsidiaries to, maintain proper books of records and accounts reasonably necessary to prepare financial statements required to be delivered pursuant to this Section 8.5 in accordance with GAAP and shall furnish to the Administrative Agent (and the Administrative Agent hereby agrees to forward to each of the Lenders):

(a) as soon as available, and in any event no later than 45 days after the last day of each of the first three (3) Fiscal Quarters of each Fiscal Year of the Borrower, a copy of the consolidated balance sheet of the Loan Parties and their Subsidiaries as of the last day of such Fiscal Quarter and the consolidated statements of income, retained earnings, and cash flows of the Loan Parties and their Subsidiaries for the Fiscal Quarter and for the Fiscal Year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous Fiscal Year, prepared by the Borrower in accordance with GAAP (subject to the absence of footnote disclosures and Fiscal Year-end audit adjustments) and certified to by a Financial Officer of the Borrower together with Fiscal Quarter consolidated backlog reports;

(b) as soon as available, and in any event no later than 120 days after the last day of each Fiscal Year of the Borrower, a copy of the consolidated and consolidating balance sheet of the Loan Parties and their Subsidiaries as of the last day of the Fiscal Year

then ended and the consolidated and consolidating statements of income, retained earnings, and cash flows of the Loan Parties and their Subsidiaries for the Fiscal Year then ended, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous Fiscal Year, accompanied in the case of the consolidated financial statements by an unqualified opinion of Crowe LLP or another firm of independent public accountants of recognized standing, selected by the Borrower and reasonably satisfactory to the Administrative Agent, to the effect that the consolidated financial statements have been prepared in accordance with GAAP and present fairly, in all material respects, in accordance with GAAP the consolidated financial condition of the Loan Parties and their Subsidiaries as of the close of such Fiscal Year and the results of their operations and cash flows for the Fiscal Year then ended and that an examination of such accounts in connection with such financial statements has been made in accordance with generally accepted auditing standards and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances, together with Fiscal Quarter consolidated backlog reports, it being understood that, notwithstanding the foregoing, any such opinion may include qualifications relating to (i) an upcoming maturity date under this Agreement or (ii) potential inability to satisfy a financial maintenance covenant with respect to a future date or in a future period.

(c) promptly after receipt thereof, any additional written reports, management letters or other detailed information contained in writing concerning significant aspects of any Loan Party's or any of its Subsidiary's operations and financial affairs given to it by its independent public accountants;

(d) promptly after receipt thereof, a copy of each audit made by any regulatory agency of the books and records of any Loan Party or any Subsidiary of a Loan Party or of notice of any material noncompliance with any applicable law, regulation or guideline relating to any Loan Party or any Subsidiary of a Loan Party or their respective business;

(e) as soon as available, and in any event no later than 90 days after the end of each Fiscal Year of the Borrower, a copy of the consolidated and consolidating business plan for the Loan Parties and their Subsidiaries for following Fiscal Year, such business plan to show the projected consolidated and consolidating revenues, expenses and balance sheet of the Loan Parties and their Subsidiaries on a Fiscal Quarter-by-Fiscal Quarter basis, such business plan to be in reasonable detail prepared by the Borrower and in form satisfactory to the Administrative Agent (which shall include a summary of all assumptions made in preparing such business plan);

(f) notice of any Change of Control;

(g) promptly after knowledge thereof shall have come to the attention of any Responsible Officer of any Loan Party, written notice of (i) any threatened or pending litigation or governmental or arbitration proceeding or labor controversy against any Loan Party or any Subsidiary of a Loan Party or any of their Property which, if adversely determined, could reasonably be expected to have a Material Adverse Effect, (ii) the

occurrence of any Material Adverse Effect, (iii) the occurrence of any Default, (iv) any material amendment or other modification to any Bonding Agreement (together with a copy of such amendment or modification) and copies of any notices received under any Bonding Agreement, (v) any new Bonding Agreement entered into after the Closing Date (together with a copy of such agreement), or (vi) any event or change in circumstance that occurs regarding the bonding capacity or bonding requirements of either Borrower or any Subsidiary, including without limitation notice of (A) each reduction in the aggregate bonding capacity of the Borrower and its Subsidiaries of 20% or more of the aggregate bonding capacity of the Borrower and its Subsidiaries as in effect on the Closing Date, individually or in the aggregate, and (B) any failure or inability of the Borrower or a Subsidiary to obtain bonding for any new project that is committed to by the Borrower or a Subsidiary or the refusal of any bonding company or any other Surety to provide bonding for any such project;

(h) with each of the financial statements delivered pursuant to subsections (a) and (b) above, a written certificate in the form attached hereto as Exhibit F signed by a Financial Officer of the Borrower to the effect that to the best of such officer's knowledge and belief no Default has occurred during the period covered by such statements or, if any such Default has occurred during such period, setting forth a description of such Default and specifying the action, if any, taken by the relevant Loan Party or its Subsidiary to remedy the same. Such certificate shall also set forth the calculations supporting such statements in respect of Section 8.23 (Financial Covenants) in the form attached as Schedule I to such Exhibit F hereto; and

(i) promptly, from time to time, such other information regarding the operations, business affairs and financial condition of any Loan Party or any Subsidiary of a Loan Party, or compliance with the terms of any Loan Document, including but not limited to an updated schedule of all Bonds outstanding, as the Administrative Agent or any Lender may reasonably request.

Notwithstanding the above, (i) if any report or other information required under this Section 8.5 is due on a day that is not a Business Day, then such report or other information shall be required to be delivered on the first day after such day that is a Business Day, and (ii) documents required to be delivered pursuant to Section 8.5(a) or (b) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which (x) such financial statements are filed for public availability on the Securities and Exchange Commission's Electronic Data Gathering and Retrieval System (or any successor thereto) or (y) the Borrower notifies (which may be by facsimile or electronic mail) the Administrative Agent (and the Administrative Agent hereby agrees to notify each of the Lenders) that such financial statements have been posted at a site (the address of which shall be contained in such notice) on the world wide web, which site is accessible by the Administrative Agent and the Lenders through a widely held nationally recognized web browser, from which such financial statements may be readily viewed and printed.

Section 8.6. Inspection; Field Audits . Each Loan Party shall, and shall cause each of its Subsidiaries to, permit the Administrative Agent and each Lender, and each of their duly

authorized representatives and agents to visit and inspect any of its Property, corporate books, and financial records, to examine and make copies of its books of accounts and other financial records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers, employees and independent public accountants (and by this provision the Loan Parties hereby authorize such accountants to discuss with the Administrative Agent and such Lenders the finances and affairs of the Loan Parties and their Subsidiaries) at such reasonable times and intervals as the Administrative Agent or any such Lender may designate and, so long as no Default exists, with reasonable prior notice to the Borrower. The Borrower shall pay to the Administrative Agent charges for field audits of the Collateral, inspections and visits to Property, inspections of corporate books and financial records, examinations and copies of books of accounts and financial record and other activities permitted in this Section performed by the Administrative Agent or its agents or third party firms, in such amounts as the Administrative Agent may from time to time request (the Administrative Agent acknowledging and agreeing that any internal charges for such audits and inspections shall be computed in the same manner as it at the time customarily uses for the assessment of charges for similar collateral audits); *provided, however,* that in the absence of any Default, the Borrower shall not be required to pay the Administrative Agent for more than one (1) such audit per Fiscal Year.

Section 8.7. Borrowings and Guaranties . No Loan Party shall, nor shall it permit any of its Subsidiaries to, issue, incur, assume, create or have outstanding any Indebtedness or Earn Out Obligations, or incur liabilities under any Hedging Agreement, or be or become liable as endorser, guarantor, surety or otherwise for any Indebtedness or undertaking of any Person, or otherwise agree to provide funds for payment of the obligations of another, or supply funds thereto or invest therein or otherwise assure a creditor of another against loss, or apply for or become liable to the issuer of a letter of credit which supports an obligation of another, or subordinate any claim or demand it may have to the claim or demand of any Person; *provided, however,* that the foregoing shall not restrict nor operate to prevent:

(a) the Secured Obligations of the Loan Parties and their Subsidiaries owing to the Administrative Agent and the Lenders (and their Affiliates);

(b) purchase money indebtedness and Capitalized Lease Obligations of the Loan Parties and their Subsidiaries in an aggregate outstanding amount not to exceed, at the time of incurrence thereof, the greater of (i) $5,000,000 and (ii) 8.0% of Adjusted EBITDA for the four (4) Fiscal Quarter period most recently completed for which financial statements required under Section 8.5 hereof have been delivered to the Administrative Agent);

(c) obligations of the Loan Parties and their Subsidiaries arising out of interest rate, foreign currency, and commodity Hedging Agreements entered into with financial institutions in connection with bona fide hedging activities in the ordinary course of business and not for speculative purposes;

(d) endorsement of items for deposit or collection of commercial paper received in the ordinary course of business;

(e) intercompany advances from time to time owing between the Loan Parties in the ordinary course of business to finance their working capital needs;

(f) Indebtedness owed to any Person providing workers' compensation, health, disability or other employee benefits (including contractual and statutory benefits) or property, casualty, liability or credit insurance, pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business;

(g) Indebtedness in respect of bids, trade contracts (other than for debt for borrowed money), leases (other than Capitalized Lease Obligations), statutory obligations, surety, stay, customs and appeal bonds, performance, performance and completion and return of money bonds, government contracts and similar obligations, in each case, provided in the ordinary course of business;

(h) Indebtedness in respect of netting services, overdraft protection and similar arrangements, in each case, in connection with cash management and deposit accounts;

(i) Indebtedness arising from agreements of a Loan Party or its Subsidiary providing for indemnification, adjustment of purchase or acquisition price or similar obligations, in each case, incurred or assumed in connection with a Permitted Acquisition;

(j) unsecured Indebtedness of the Loan Parties and their Subsidiaries in an aggregate outstanding amount not to exceed, at the time of incurrence thereof, the greater of (i) $5,000,000 and (ii) 1.25% of the Borrower's consolidated total assets as reflected in the Borrower's then most recent publicly available quarterly or annual consolidated balance sheet;

(k) Indebtedness arising from Seller Notes; *provided* that all Indebtedness arising from any such Seller Notes shall be unsecured and subordinated to the Secured Obligations pursuant to subordination provisions or subordination agreements reasonably satisfactory to the Administrative Agent;

(l) Earn Out Obligations; *provided* that, all such Earn Out Obligations shall be unsecured and subordinated to the Secured Obligations pursuant to subordination provisions or subordination agreements reasonably satisfactory to the Administrative Agent;

(m) guarantee obligations of the Borrower with respect to indebtedness arising from Seller Notes permitted by Section 8.7(k); *provided* that such guarantee shall be unsecured and subordinated to the Secured Obligations pursuant to subordination provisions or subordination agreements reasonably satisfactory to the Administrative Agent;

(n) Indebtedness owing to insurance companies and insurance brokers incurred in connection with the financing of insurance premiums in the ordinary course of business; and

(o) indemnification, adjustment of purchase or acquisition price or similar obligations, in each case, incurred or assumed in connection with sales or transfers of accounts receivable and other assets pursuant to Section 8.10(g).

Section 8.8. Liens . No Loan Party shall, nor shall it permit any of its Subsidiaries to, create, incur or permit to exist any Lien of any kind on any Property owned by any such Person; *provided, however,* that the foregoing shall not apply to nor operate to prevent:

(a) Liens arising by statute in connection with worker's compensation, unemployment insurance, old age benefits, social security obligations, Taxes, assessments, statutory obligations or other similar charges (other than Liens arising under ERISA), good faith cash deposits in connection with tenders, contracts or leases to which any Loan Party or any Subsidiary of a Loan Party is a party or other cash deposits required to be made in the ordinary course of business, provided in each case that the obligation is not for borrowed money and that the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves have been established therefor;

(b) mechanics', workmen's, materialmen's, landlords', carriers', or other similar Liens arising in the ordinary course of business with respect to obligations which are not due or which are being contested in good faith by appropriate proceedings which prevent enforcement of the matter under contest;

(c) judgment liens and judicial attachment liens not constituting an Event of Default under Section 9.1(g) and the pledge of assets for the purpose of securing an appeal, stay or discharge in the course of any legal proceeding;

(d) Liens on equipment of any Loan Party or any Subsidiary of a Loan Party created solely for the purpose of securing indebtedness permitted by Section 8.7(b), representing or incurred to finance the purchase price of such Property; provided that no such Lien shall extend to or cover other Property of such Loan Party or such Subsidiary other than the respective Property so acquired, and the principal amount of indebtedness secured by any such Lien shall at no time exceed the purchase price of such Property, as reduced by repayments of principal thereon;

(e) any interest or title of a lessor under any operating lease, including the filing of Uniform Commercial Code financing statements solely as a precautionary measure in connection with operating leases entered into by any Loan Party or any Subsidiary of a Loan Party in the ordinary course of its business;

(f) easements, rights-of-way, restrictions, and other similar encumbrances against real property incurred in the ordinary course of business which, in the aggregate,

are not substantial in amount and which do not materially detract from the value of the Property subject thereto or materially interfere with the ordinary conduct of the business of any Loan Party or any Subsidiary of a Loan Party;

(g) bankers' Liens, rights of setoff and other similar Liens (including under Section 4-210 of the Uniform Commercial Code) in one or more deposit accounts maintained by any Loan Party or any Subsidiary of a Loan Party, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements; *provided* that, unless such Liens are non-consensual and arise by operation of law, in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(h) Liens granted in favor of the Administrative Agent pursuant to the Collateral Documents;

(i) non-exclusive licenses of intellectual property granted in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of any Loan Party or any Subsidiary of a Loan Party;

(j) Liens on equipment of any Loan Party or any Subsidiary of a Loan Party created solely for the purpose of securing indebtedness pursuant to a Bonding Agreement; *provided* that no such Lien shall extend to or cover other Property of such Loan Party or such Subsidiary other than the respective Property so connected to the applicable Bond (including assets used in connection with the related project or proceeds of the related project);

(k) Liens on the assets of Genesys Engineering, P.C. granted to Willdan Energy Solutions;

(l) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(m) other Liens granted with respect to obligations that do not in the aggregate exceed $500,000 at any time outstanding, so long as such Liens, to the extent covering any Collateral, are junior to the Liens granted pursuant to the Collateral Documents; and

(n) precautionary Liens on accounts receivable and other assets that are sold or transferred pursuant to Section 8.10(g).

Section 8.9. Investments, Acquisitions, Loans and Advances . No Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly, make, retain or have outstanding any investments (whether through purchase of stock or obligations or otherwise) in, or loans or advances to (other than for travel advances and other similar cash advances made to employees in the ordinary course of business), any other Person, or acquire all or any substantial part of the

assets or business of any other Person or division thereof; *provided, however,* that the foregoing shall not apply to nor operate to prevent:

(a) Cash Equivalents;

(b) the Loan Parties' existing investments in their respective Subsidiaries outstanding on the Closing Date;

(c) intercompany advances made from time to time between the Loan Parties in the ordinary course of business to finance their working capital needs;

(d) intercompany advances from time to time owing between a Loan Party and any Subsidiary that is not a Guarantor hereunder in the ordinary course of business to finance their working capital needs, *provided* that the aggregate amount of such advances to Subsidiaries that are not Guarantors hereunder together with any investments in such Subsidiaries do not exceed $300,000 at any one time outstanding;

(e) Permitted Acquisitions;

(f) other investments existing on the Closing Date and listed and identified on Schedule 8.9;

(g) investments in Construction Joint Ventures which are made in the ordinary course of business; *provided, however,* that the aggregate investments in Construction Joint Ventures shall not at the time of such investment exceed 15% of the combined consolidated Net Worth of the Borrower and its Subsidiaries;

(h) loans and advances to employees of the Loan Parties in an amount not to exceed $1,250,000 in the aggregate at any one time outstanding; and

(i) other investments, loans, and advances in addition to those otherwise permitted by this Section 8.9 in an amount not to exceed $2,000,000 in the aggregate at any one time outstanding.

In determining the amount of investments, acquisitions, loans, and advances permitted under this Section 8.9, investments and acquisitions shall always be taken at the original cost thereof (regardless of any subsequent appreciation or depreciation therein), and loans and advances shall be taken at the principal amount thereof then remaining unpaid.

Section 8.10. Mergers, Consolidations and Sales . No Loan Party shall, nor shall it permit any of its Subsidiaries to, be a party to any merger, division, consolidation or amalgamation, or sell, transfer, lease or otherwise dispose of all or any part of its Property, including any disposition of Property as part of a sale and leaseback transaction, or in any event sell or discount (with or without recourse) any of its notes or accounts receivable; *provided, however,* that this Section shall not apply to nor operate to prevent:

(a) the sale or lease of inventory in the ordinary course of business;

(b) the sale, transfer, lease or other disposition of Property of any Loan Party to one another in the ordinary course of its business;

(c) the merger of any Loan Party, Inactive Subsidiary or Factoring SPV with and into the Borrower or any other Loan Party (or the merger of any Inactive Subsidiary or Factoring SPV into another Inactive Subsidiary or Factoring SPV or dissolution of any Inactive Subsidiary or Factoring SPV) provided that, in the case of any merger involving the Borrower, the Borrower is the Person surviving the merger;

(d) the sale of delinquent notes or accounts receivable in the ordinary course of business for purposes of collection only (and not for the purpose of any bulk sale or securitization transaction);

(e) the sale, transfer or other disposition of any tangible personal property that, in the reasonable business judgment of the relevant Loan Party or its Subsidiary, has become obsolete or worn out, and which is disposed of in the ordinary course of business;

(f) the sale, transfer, lease or other disposition of Property of any Loan Party or any Subsidiary of a Loan Party (including any sale, transfer, lease or other disposition of Property as part of a sale and leaseback transaction) aggregating for all Loan Parties and their Subsidiaries not more than $5,000,000 during any Fiscal Year of the Borrower, *provided* that (i) each such sale, transfer, lease or other disposition shall be made for fair value, (ii) no Event of Default shall have occurred and be continuing or would arise as a result of such sale, transfer, lease or other disposition and (iii) at least 80% of the total consideration received at the closing of such sale, transfer, lease or other disposition shall consist of cash and at least 80% of the total consideration received after taking into account all final purchase price adjustments and/or contingent payments (including working capital adjustment or earn-out provisions) expressly contemplated by the transaction documents, when received shall consist of cash; and

(g) the sale or transfer of an interest in accounts receivable, and any contract rights, equipment and materials related to such accounts receivable, from time to time, in each case, in connection with a factoring or similar arrangement in the ordinary course of business and consistent with the historical practices of the Borrower and its Subsidiaries, in an aggregate amount not to exceed $30,000,000 in any calendar year.

Section 8.11. Maintenance of Subsidiaries . No Loan Party shall assign, sell or transfer, nor shall it permit any of its Subsidiaries to issue, assign, sell or transfer, any shares of capital stock or other equity interests of a Subsidiary; *provided, however,* that the foregoing shall not operate to prevent (a) the issuance, sale, and transfer to any person of any shares of capital stock of a Subsidiary solely for the purpose of qualifying, and to the extent legally necessary to qualify, such person as a director of such Subsidiary, (b) any transaction permitted by Section 8.10(c) above, and (c) Liens on the capital stock or other equity interests of Subsidiaries granted to the Administrative Agent pursuant to the Collateral Documents.

Section 8.12. Dividends and Certain Other Restricted Payments . No Loan Party shall, nor shall it permit any of its Subsidiaries to, (a) declare or pay any dividends on or make any other distributions in respect of any class or series of its capital stock or other equity interests (other than dividends or distributions payable solely in its capital stock or other equity interests), or (b) directly or indirectly purchase, redeem, or otherwise acquire or retire any of its capital stock or other equity interests or any warrants, options, or similar instruments to acquire the same (collectively referred to herein as *"Restricted Payments"*); *provided, however,* that the foregoing shall not operate to prevent the making of (i) dividends or distributions by any Subsidiary to any Loan Party or (ii) to the extent the Repurchase Conditions have been satisfied, Share Repurchases by the Borrower.

Section 8.13. ERISA . Each Loan Party shall, and shall cause each of its Subsidiaries to, promptly pay and discharge all obligations and liabilities arising under ERISA of a character which if unpaid or unperformed could reasonably be expected to result in the imposition of a Lien against any of its Property. Each Loan Party shall, and shall cause each of its Subsidiaries to, promptly notify the Administrative Agent and each Lender of: (a) the occurrence of any reportable event (as defined in ERISA) with respect to a Plan, (b) receipt of any notice from the PBGC of its intention to seek termination of any Plan or appointment of a trustee therefor, (c) its intention to terminate or withdraw from any Plan, and (d) the occurrence of any event with respect to any Plan which would result in the incurrence by any Loan Party or any Subsidiary of a Loan Party of any material liability, fine or penalty, or any material increase in the contingent liability of any Loan Party or any Subsidiary of a Loan Party with respect to any post-retirement Welfare Plan benefit.

Section 8.14. Compliance with Laws . (a) Each Loan Party shall, and shall cause each of its Subsidiaries to, comply in all respects with all Legal Requirements applicable to or pertaining to its Property or business operations, where any non-compliance, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect or result in a Lien upon any of its Property.

(b) Without limiting Section 8.14(a) above, each Loan Party shall, and shall cause each of its Subsidiaries to, at all times, do the following to the extent the failure to do so, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect: (i) comply with, and maintain each of the Premises in compliance with, all applicable Environmental Laws; (ii) require that each tenant and subtenant, if any, of any of the Premises or any part thereof comply with all applicable Environmental Laws; (iii) obtain and maintain in full force and effect all governmental approvals required by any applicable Environmental Law for the operation of their business and each of the Premises; (iv) cure any other corrective or response action necessary to remove, remediate violation by it or at any of the Premises of applicable Environmental Laws; (v) not allow the presence or operation at any of the Premises of any (1) landfill or dump or (2) hazardous waste management facility or solid waste disposal facility as defined pursuant to applicable Environmental Law; (vi) not manufacture, use, generate, transport, treat, store, Release, dispose or handle any Hazardous Material (or allow any tenant or subtenant to do any of the foregoing) at any of the Premises except in the ordinary course of its business or in *de minimis* amounts, and in compliance with all applicable Environmental Laws; (vii) within ten (10) Business Days notify the Administrative Agent in writing of and provide any reasonably requested documents upon learning of any of the following in connection with any Loan Party or any Subsidiary of a Loan Party or any of the Premises: (1) any material Environmental Liability;

(2) any material Environmental Claim; (3) any material violation of an Environmental Law or material Release, threatened Release or disposal of a Hazardous Material; (4) any restriction on the ownership, occupancy, use or transferability of any Premises arising from or in connection with any (x) Release, threatened Release or disposal of a Hazardous Material or (y) Environmental Law; or (5) any environmental, natural resource, health or safety condition, which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect; (viii) conduct at its expense any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other corrective or response action necessary to remove, remediate, clean up, correct or abate any Hazardous Material or any Release, threatened Release or violation of any applicable Environmental Law, (ix) abide by and observe any restrictions on the use of the Premises imposed by any Governmental Authority as set forth in a deed or other instrument affecting any Loan Party's or any of its Subsidiary's interest therein; (x) promptly provide or otherwise make available to the Administrative Agent any reasonably requested environmental record concerning the Premises which any Loan Party or any Subsidiary of a Loan Party possesses or can reasonably obtain; and (xi) perform, satisfy, and implement any operation, maintenance or corrective actions or other requirements of any Governmental Authority or Environmental Law, or included in any no further action letter or covenant not to sue issued by any Governmental Authority under any Environmental Law.

Section 8.15. Compliance with Sanctions Programs and Anti-Corruption Laws . (a) Each Loan Party shall at all times comply in all material respects with the requirements of all Sanctions Programs applicable to such Loan Party and shall cause each of its Subsidiaries to comply in all material respects with the requirements of all Sanctions Programs applicable to such Subsidiary.

(b) Each Loan Party shall provide the Administrative Agent and the Lenders any information regarding the Loan Parties, their Affiliates, and their Subsidiaries necessary for the Administrative Agent and the Lenders to comply with all applicable Sanctions Programs and the Beneficial Ownership Regulation; subject however, in the case of Affiliates, to such Loan Party's ability to provide information applicable to them.

(c) If any Responsible Officer of any Loan Party obtains actual knowledge or receives any written notice that any Loan Party, any Subsidiary of any Loan Party, or any officer, director or Affiliate of any Loan Party or that any Person that owns or controls any such Person is the target of any Sanctions Programs or is located, organized or resident in a country or territory that is, or whose government is, the subject of any Sanctions Programs (such occurrence, an *"OFAC Event"*), such Loan Party shall promptly (i) give written notice to the Administrative Agent and the Lenders of such OFAC Event, and (ii) comply in all material respects with all applicable laws with respect to such OFAC Event (regardless of whether the target Person is located within the jurisdiction of the United States of America), including the Sanctions Programs, and each Loan Party hereby authorizes and consents to the Administrative Agent and the Lenders taking any and all steps the Administrative Agent or the Lenders deem necessary, in their sole but reasonable discretion, to avoid violation of all applicable laws with respect to any such OFAC Event, including the requirements of the Sanctions Programs (including the freezing and/or blocking of assets and reporting such action to OFAC).

(d) No Loan Party will, directly or, to any Loan Party's knowledge, indirectly, use the proceeds of the Facilities, or lend, contribute or otherwise make available such proceeds to any other Person, (i) to fund any activities or business of or with any Person or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of any Sanctions Programs, or (ii) in any other manner that would result in a violation of Sanctions Programs or Anti-Corruption Laws by any Person (including any Person participating in the Facilities, whether as underwriter, lender, advisor, investor, or otherwise).

(e) No Loan Party will, nor will it permit any Subsidiary to, violate any Anti-Corruption Law in any material respect.

(f) Each Loan Party will maintain in effect policies and procedures designed to ensure compliance by the Loan Parties, their Subsidiaries, and their respective directors, officers, employees, and agents with applicable Anti-Corruption Laws.

Section 8.16. Burdensome Contracts With Affiliates . No Loan Party shall, nor shall it permit any of its Subsidiaries to, enter into any contract, agreement or business arrangement with any of its Affiliates on terms and conditions which are less favorable to such Loan Party or such Subsidiary than would be usual and customary in similar contracts, agreements or business arrangements between Persons not affiliated with each other; *provided* that the foregoing restriction shall not apply to transactions between or among the Loan Parties.

Section 8.17. No Changes in Fiscal Year . The Borrower shall not, nor shall it permit any Subsidiary to, change its current Fiscal Year reporting method from its present basis as of the Closing Date.

Section 8.18. Formation of Subsidiaries; Guaranty Requirements . Promptly upon (i) the formation or acquisition of any Subsidiary (other than any Inactive Subsidiary or any Factoring SPV), or (ii) any Inactive Subsidiary obtaining assets (other than de minimis assets), generating revenue or conducting business operations, the Loan Parties shall provide the Administrative Agent and the Lenders notice thereof (at which time Schedule 6.2 shall be deemed amended to include reference to such Subsidiary). Subject to Section 12 hereof, the payment and performance of the Secured Obligations of the Borrower shall at all times be guaranteed by the Subsidiaries of the Borrower which are required to be Guarantors hereunder (as set forth in the definition of "Guarantor") pursuant to Section 11 hereof or pursuant to one or more Guaranty Agreements in form and substance reasonably acceptable to the Administrative Agent, as the same may be amended, modified or supplemented from time to time. The Loan Parties shall, and shall cause their Subsidiaries to, timely comply with the requirements of Sections 11 and 12 with respect to any Subsidiary that is required to become a Guarantor hereunder. Except for Foreign Subsidiaries existing on the Closing Date and identified on Schedule 6.2, no Loan Party, nor shall it permit any of its Subsidiaries to, form or acquire any Foreign Subsidiary other than Lime International Ventures Limited, an entity organized under the laws of Ireland.

Section 8.19. Change in the Nature of Business . No Loan Party shall, nor shall it permit any of its Subsidiaries to, engage in any business or activity if as a result the general nature

of the business of such Loan Party or any of its Subsidiaries would be changed in any material respect from an Eligible Line of Business.

Section 8.20. Use of Proceeds. The Borrower shall use the credit extended under this Agreement solely for the purposes set forth in, or otherwise permitted by, Section 6.4.

Section 8.21. No Restrictions . Except as provided herein, no Loan Party shall, nor shall it permit any of its Subsidiaries to, directly or indirectly create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Loan Party or any Subsidiary of a Loan Party to: (a) pay dividends or make any other distribution on any Subsidiary's capital stock or other equity interests owned by such Loan Party or any other Subsidiary, (b) pay any indebtedness owed to any Loan Party or any other Subsidiary, (c) make loans or advances to any Loan Party or any Subsidiary, (d) transfer any of its Property to any Loan Party or any other Subsidiary, or (e) guarantee the Secured Obligations and/or grant Liens on its assets to the Administrative Agent as required by the Loan Documents; provided that the foregoing shall not apply to encumbrances existing under or by reason of (i) any agreements governing any purchase money Liens or Capitalized Lease Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby), (ii) restrictions or conditions imposed by any agreement relating to Liens permitted by this Agreement but solely to the extent that such restrictions or conditions apply only to the property or assets subject to such permitted Lien, (iii) customary provisions in leases, licenses and other contracts entered into in the ordinary course of business restricting the assignment thereof, (iv) any agreement or arrangement already binding on a Subsidiary when it is acquired so long as such agreement or arrangement was not created in anticipation of such acquisition, (v) restrictions pursuant to applicable Law, rule, regulation or order or the terms of any license, authorization, concession or permit, and (vi) customary provisions limiting the disposition or distribution of assets or property in asset sale agreements, and other similar agreements in the ordinary course of business, which limitation is applicable only to the assets that are the subject of such agreements.

Section 8.22. Subordinated Debt . No Loan Party shall, nor shall it permit any of its Subsidiaries to, (a) amend or modify any of the terms or conditions relating to Subordinated Debt, (b) make any voluntary prepayment of Subordinated Debt or effect any voluntary redemption thereof, or (c) make any payment on account of Subordinated Debt which is prohibited under the terms of any instrument or agreement subordinating the same to the Obligations. Notwithstanding the foregoing, the Loan Parties may agree to a decrease in the interest rate applicable thereto or to a deferral of repayment of any of the principal of or interest on the Subordinated Debt beyond the current due dates therefor. Furthermore, without limiting the foregoing provisions of this Section 8.22, no Loan Party shall make any payment in respect of any Earn Out Obligation or Seller Note if:

(i) a Default has occurred and is continuing or would be created by the making of such payment; or

(ii) upon giving effect to such payment and any Credit Event in connection therewith, the Loan Parties would not be in compliance on a pro forma basis (calculated based upon Adjusted EBITDA for the four (4) Fiscal Quarter period most recently

completed for which financial statements required under Section 8.5 hereof have been delivered to the Administrative Agent) with the financial covenants set forth in Section 8.23 hereof that apply at the time of such payment for the next succeeding Test Period; or

(iii) the Loan Parties would have Liquidity in an amount less than $10,000,000 after giving effect to such payment and any Credit Event in connection therewith.

Section 8.23. Financial Covenants.

(a) *Total Net Leverage Ratio*. As of the last day of each Fiscal Quarter of the Borrower, the Borrower shall not permit the Total Net Leverage Ratio to be greater than 3.25 to 1.00 for each such Fiscal Quarter of the Borrower.

Notwithstanding the foregoing, upon the consummation of a Permitted Acquisition consummated after the Closing Date for which the Total Consideration exceeds $30,000,000 (a "*Material Acquisition*"), upon prior written notice by the Borrower to the Administrative Agent, the required Total Net Leverage Ratio level as of the last day of each of the next four (4) Fiscal Quarters ending immediately following the consummation date of such Material Acquisition shall be increased to 3.50 to 1.00 (the "*Total Net Leverage Ratio Adjustment*"); *provided* that, (A) no more than two (2) Total Net Leverage Ratio Adjustments may be made during the term of this Agreement, and (B) no Default shall exist at the time such Total Net Leverage Ratio Adjustment is made.

(b) *Fixed Charge Coverage Ratio*. As of the last day of each Fiscal Quarter of the Borrower (commencing with the Fiscal Quarter ending July 4, 2025), the Borrower shall maintain a Fixed Charge Coverage Ratio of not less than 1.20 to 1.00.

Section 8.24. Modification of Certain Documents . No Loan Party shall do any of the following:

(a) waive or otherwise modify any term of any Constituent Document of, or otherwise change the capital structure of, any Loan Party (including the terms of any of their outstanding Voting Stock), in each case except for those modifications and waivers that (x) do not elect, or permit the election, to treat the Voting Stock of any limited liability company (or similar entity) as certificated unless such certificates are delivered to the Administrative Agent to the extent they represent Voting Stock pledged under the Security Agreement and (y) do not affect the interests of the Administrative Agent under the Loan Documents or in the Collateral in a materially adverse manner;

(b) permit the Obligations to cease qualifying as *"Senior Debt"*, *"Designated Senior Debt"* or a similar term under and as defined in any documentation governing any Subordinated Debt; and

(c) modify any term of any Bonding Agreement such that the Property subject to any Lien in favor of any Surety attaches to Property that is not in direct connection with the applicable Bond.

Section 8.25. Post-Closing Covenants . Notwithstanding anything herein to the contrary:

(a) Within thirty (30) days after the Closing Date (as such date may be extended by the Administrative Agent in its discretion), the Borrower shall cause to be delivered to the Administrative Agent original stock certificates and related stock transfer powers with respect to all certificated stock of Alpha Inspections, Inc. and Alternative Power Generation, Inc., in each case, in form and substance reasonably satisfactory to the Administrative Agent.

(b) Within fifteen (15) Business Days after the Closing Date (as such date may be extended by the Administrative Agent in its discretion), the Borrower shall cause to be delivered to the Administrative Agent updated insurance certificates and endorsements evidencing insurance for Alpha Inspections, Inc. and Alternative Power Generation, Inc. in accordance with Section 8.4 and otherwise in form and substance reasonably satisfactory to the Administrative Agent.

Section 8.26. Bonding Capacity. The Borrower and its Subsidiaries shall (i) have available bonding capacity under one or more Bonding Agreements in an amount sufficient to operate their respective businesses in the ordinary course, and (ii) be in compliance in all material respects with all terms and conditions set forth in each Bonding Agreement and shall not permit a default to occur thereunder, as set forth in, or otherwise permitted by, Section 6.25.

SECTION 9. EVENTS OF DEFAULT AND REMEDIES.

Section 9.1. Events of Default . Any one or more of the following shall constitute an *"Event of Default"* hereunder:

(a) default in the payment when due of all or any part of the principal of any Loan (whether at the stated maturity thereof or at any other time provided for in this Agreement) or of any Reimbursement Obligation, or default for a period of three (3) Business Days in the payment when due of any interest, fee or other Obligation payable hereunder or under any other Loan Document;

(b) default in the observance or performance of any covenant set forth in Sections 8.1, 8.5, 8.7, 8.8, 8.9, 8.10, 8.11, 8.12, 8.13, 8.14, 8.15, 8.17, 8.18, 8.19, 8.21, 8.22, 8.23, 8.24 or 8.25 of this Agreement, or any provision in any Loan Document dealing with the use, disposition or remittance of the proceeds of Collateral or requiring the maintenance of insurance thereon;

(c) default in the observance or performance of any other provision hereof or of any other Loan Document which is not remedied within thirty (30) days after the earlier of (i) the date on which such failure shall first become known to any Responsible Officer of any Loan Party or (ii) written notice thereof is given to the Borrower by the Administrative Agent;

(d) any representation or warranty made herein or in any other Loan Document or in any certificate furnished to the Administrative Agent or the Lenders pursuant hereto

or thereto or in connection with any transaction contemplated hereby or thereby proves untrue in any material respect as of the date of the issuance or making or deemed making thereof;

(e) (i) any event occurs or condition exists (other than those described in subsections (a) through (d) above) which is specified as an event of default under any of the other Loan Documents, or (ii) any of the Loan Documents shall for any reason not be or shall cease to be in full force and effect or is declared to be null and void, or (iii) any of the Collateral Documents shall for any reason fail to create a valid and perfected first priority Lien in favor of the Administrative Agent in any Collateral purported to be covered thereby except as expressly permitted by the terms hereof, or (iv) any Loan Party takes any action for the purpose of terminating, repudiating or rescinding any Loan Document executed by it or any of its obligations thereunder, or (v) any Loan Party or any Subsidiary of a Loan Party makes any payment on account of any Subordinated Debt which is prohibited under the terms of any instrument subordinating such Subordinated Debt to any Secured Obligations, or any subordination provision in any document or instrument (including, without limitation, any intercreditor or subordination agreement) relating to any Subordinated Debt shall cease to be in full force and effect, or any Person (including the holder of any Subordinated Debt) shall contest in any manner the validity, binding nature or enforceability of any such provision;

(f) default shall occur under any Material Indebtedness issued, assumed or guaranteed by any Loan Party or any Subsidiary of a Loan Party, or under any indenture, agreement or other instrument under which the same may be issued, and such default shall continue for a period of time sufficient to permit the acceleration of the maturity of any such Material Indebtedness (whether or not such maturity is in fact accelerated), or any such Material Indebtedness shall not be paid when due (whether by demand, lapse of time, acceleration or otherwise);

(g) (i) any final judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes, shall be entered or filed against any Loan Party or any Subsidiary of a Loan Party, or against any of their respective Property, in an aggregate amount for all such Persons in excess of $2,500,000 (except to the extent fully covered by insurance pursuant to which the insurer has accepted liability therefor in writing), and which remains undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days, or any action shall be legally taken by a judgment creditor to attach or levy upon any Property of any Loan Party or any Subsidiary of a Loan Party to enforce any such judgment, or (ii) any Loan Party or any Subsidiary of a Loan Party shall fail within sixty (60) days to discharge one or more non-monetary judgments or orders which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, which judgments or orders, in any such case, are not stayed on appeal or otherwise being appropriately contested in good faith by proper proceedings diligently pursued;

(h) any Loan Party or any Subsidiary of a Loan Party, or any member of its Controlled Group, shall fail to pay when due any amounts payable to the PBGC or to a Plan under Title IV of ERISA and such failure would reasonably be expected to have a

Material Adverse Effect; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities in excess of an amount that would reasonably be expected to have a Material Adverse Effect shall be filed under Title IV of ERISA by any Loan Party or any Subsidiary of a Loan Party, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Plan, which would reasonably be expected to have a Material Adverse Effect; or a proceeding shall be instituted by a fiduciary of any Plan against any Loan Party or any Subsidiary of a Loan Party, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding would reasonably be expected to have a Material Adverse Effect and shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Plan must be terminated, the termination of which would reasonably be expected to have a Material Adverse Effect;

(i) any Change of Control shall occur;

(j) any Loan Party or any Subsidiary of a Loan Party shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its Property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) take any corporate or similar action in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in Section 9.1(k);

(k) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for any Loan Party or any Subsidiary of a Loan Party, or any substantial part of any of its Property, or a proceeding described in Section 9.1(j)(v) shall be instituted against any Loan Party or any Subsidiary of a Loan Party, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of 60 days; or

(l) Bonding Agreements:

(i) any Surety for the Borrower or any of its Subsidiaries for any reason ceases to issue bonds, undertakings or instruments of guaranty and the amount of such reduction in bonding capacity exceeds 20% or more of the aggregate bonding capacity of the Borrower and its Subsidiaries and the Borrower and its Subsidiaries shall fail to cause another Person reasonably acceptable to the Administrative Agent

(provided that any such Person shall be deemed to be acceptable if its bonds, undertakings or instruments of guaranty are accepted by contract providers for the Borrower and its Subsidiaries) to issue bonds, undertakings or instruments of guaranty within 30 days of the date that such original Surety ceased to issue bonds, undertakings or instruments of guaranty; or

(ii) (A) at any time, any Surety for the Borrower or any of its Subsidiaries shall violate any term of any agreement with the Administrative Agent or any Lender to which it is a party, which violation would adversely affect the rights or interests of the Administrative Agent or the Lenders under the Loan Documents and such violation shall continue for a period of five (5) Business Days after the Administrative Agent's delivery of written notice thereof to such Surety and the Borrower, (B) any Surety exercises any rights or remedies as a secured party with respect to any Collateral in excess of $250,000, or (C) any Surety takes possession of any Collateral in excess of $250,000 and such action continues for a period of ten (10) Business Days after the earlier of (A) the Administrative Agent's delivery of written notice thereof to the Borrower and (B) a Responsible Officer of the Borrower having obtained knowledge thereof; or

(iii) the Borrower or any of its Subsidiaries defaults in the payment when due of any amount due under any Bonding Agreement or breaches or defaults with respect to any other term of any Bonding Agreement, if the effect of such failure to pay, default or breach is to cause the related Surety to take possession of the work under any of the bonded contracts of the Borrower or any of its Subsidiaries and value of the contract or project that has been taken over by the related Surety exceeds $250,000; or

(iv) the Borrower or any Subsidiary breaches or defaults with respect to any term under any of the bonded contracts of the Borrower or such Subsidiary, if the effect of such default or breach is to cause the related Surety to take possession of the work under such bonded contract and value of the contract or project that has been taken over by the related Surety exceeds $250,000.

Section 9.2. Non-Bankruptcy Defaults. When any Event of Default (other than those described in subsection (j) or (k) of Section 9.1 with respect to the Borrower) has occurred and is continuing, the Administrative Agent shall, by written notice to the Borrower: (a) if so directed by the Required Lenders, terminate the remaining Commitments and all other obligations of the Lenders hereunder on the date stated in such notice (which may be the date thereof); (b) if so directed by the Required Lenders, declare the principal of and the accrued interest on all outstanding Loans to be forthwith due and payable and thereupon all outstanding Loans, including both principal and interest thereon, shall be and become immediately due and payable together with all other amounts payable under the Loan Documents without further demand, presentment, protest or notice of any kind; and (c) if so directed by the Required Lenders, demand that the Borrower immediately deliver to the Administrative Agent Cash Collateral in an amount equal to 105% of the aggregate amount of each Letter of Credit then outstanding, and the Borrower agrees to immediately make such payment and acknowledges and agrees that the Lenders would not have

an adequate remedy at law for failure by the Borrower to honor any such demand and that the Administrative Agent, for the benefit of the Lenders, shall have the right to require the Borrower to specifically perform such undertaking whether or not any drawings or other demands for payment have been made under any Letter of Credit. In addition, the Administrative Agent may exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents or applicable law or equity when any such Event of Default has occurred and is continuing. The Administrative Agent shall give notice to the Borrower under Section 9.1(c) promptly upon being requested to do so by any Lender. The Administrative Agent, after giving notice to the Borrower pursuant to Section 9.1(c) or this Section 9.2, shall also promptly send a copy of such notice to the other Lenders, but the failure to do so shall not impair or annul the effect of such notice.

Section 9.3. Bankruptcy Defaults . When any Event of Default described in subsections (j) or (k) of Section 9.1 with respect to the Borrower has occurred and is continuing, then all outstanding Loans shall immediately become due and payable together with all other amounts payable under the Loan Documents without presentment, demand, protest or notice of any kind, the remaining Commitments and the obligation of the Lenders to extend further credit pursuant to any of the terms hereof shall immediately terminate and the Borrower shall immediately deliver to the Administrative Agent Cash Collateral in an amount equal to 105% of the aggregate amount of each Letter of Credit then outstanding, the Borrower acknowledging and agreeing that the Lenders would not have an adequate remedy at law for failure by the Borrower to honor any such demand and that the Lenders, and the Administrative Agent on their behalf, shall have the right to require the Borrower to specifically perform such undertaking whether or not any draws or other demands for payment have been made under any of the Letters of Credit. In addition, the Administrative Agent may exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents or applicable law or equity when any such Event of Default has occurred and is continuing.

Section 9.4. Collateral for Undrawn Letters of Credit . (a) If the prepayment of the amount available for drawing under any or all outstanding Letters of Credit is required under any of Sections 2.3(b), 2.8(b), Section 2.13, 2.14, 9.2 or 9.3 above, the Borrower shall forthwith pay the amount required to be so prepaid, to be held by the Administrative Agent as provided in subsection (b) below.

(b) All amounts prepaid pursuant to subsection (a) above shall be held by the Administrative Agent in one or more separate collateral accounts (each such account, and the credit balances, properties, and any investments from time to time held therein, and any substitutions for such account, any certificate of deposit or other instrument evidencing any of the foregoing and all proceeds of and earnings on any of the foregoing being collectively called the *"Collateral Account"*) as security for, and for application by the Administrative Agent (to the extent available) to, the reimbursement of any payment under any Letter of Credit then or thereafter made by the L/C Issuer, and to the payment of the unpaid balance of all other Secured Obligations. The Collateral Account shall be held in the name of and subject to the exclusive dominion and control of the Administrative Agent for the benefit of the Administrative Agent, the Lenders, and the L/C Issuer. If and when requested by the Borrower, the Administrative Agent shall invest funds

held in the Collateral Account from time to time in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America with a remaining maturity of one year or less, *provided* that the Administrative Agent is irrevocably authorized to sell investments held in the Collateral Account when and as required to make payments out of the Collateral Account for application to amounts due and owing from the Borrower to the L/C Issuer, the Administrative Agent or the Lenders. Subject to the terms of Sections 2.13 and 2.14, if the Borrower shall have made payment of all obligations referred to in subsection (a) above required under Section 2.8(b), at the request of the Borrower the Administrative Agent shall release to the Borrower amounts held in the Collateral Account so long as at the time of the release and after giving effect thereto no Default exists. After all Letters of Credit have expired or been cancelled and the expiration or termination of all Commitments, at the request of the Borrower, the Administrative Agent shall release any remaining amounts held in the Collateral Account following payment in full in cash of all Secured Obligations.

Section 9.5. Post-Default Collections . Anything contained herein or in the other Loan Documents to the contrary notwithstanding (including, without limitation, Section 2.8(b)), all payments and collections received in respect of the Obligations and all proceeds of the Collateral and payments made under or in respect of the Guaranty Agreements received, in each instance, by the Administrative Agent or any of the Lenders after acceleration or the final maturity of the Obligations or termination of the Commitments as a result of an Event of Default shall be remitted to the Administrative Agent and distributed as follows:

(a) first, to the payment of any outstanding costs and expenses incurred by the Administrative Agent, and any security trustee therefor, in monitoring, verifying, protecting, preserving or enforcing the Liens on the Collateral, in protecting, preserving or enforcing rights under the Loan Documents, and in any event including all costs and expenses of a character which the Loan Parties have agreed to pay the Administrative Agent under Section 13.4 (such funds to be retained by the Administrative Agent for its own account unless it has previously been reimbursed for such costs and expenses by the Lenders, in which event such amounts shall be remitted to the Lenders to reimburse them for payments theretofore made to the Administrative Agent);

(b) second, to the payment of any outstanding interest and fees due under the Loan Documents to be allocated pro rata in accordance with the aggregate unpaid amounts owing to each holder thereof;

(c) third, to the payment of principal on the Loans, unpaid Reimbursement Obligations, together with amounts to be held by the Administrative Agent as collateral security for any outstanding L/C Obligations pursuant to Section 9.4 (until the Administrative Agent is holding an amount of cash equal to 105% of the then outstanding amount of all such L/C Obligations), Bank Product Obligations and Hedging Liability, with the aggregate amount paid to, or held as collateral security for, the Lenders and L/C Issuer and, in the case of Bank Product Obligations and Hedging Liability, their Affiliates, to be allocated pro rata in accordance with the aggregate unpaid amounts owing to each holder thereof;

(d) fourth, to the payment of all other unpaid Secured Obligations and all other indebtedness, obligations, and liabilities of the Loan Parties secured by the Loan Documents to be allocated pro rata in accordance with the aggregate unpaid amounts owing to each holder thereof; and

(e) finally, to the Borrower or whoever else may be lawfully entitled thereto.

SECTION 10. THE ADMINISTRATIVE AGENT .

Section 10.1. Appointment and Authority . Each of the Lenders and the L/C Issuers hereby irrevocably appoints BMO Bank N.A. to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Section 10 are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuers, and neither the Borrower nor any other Loan Party shall have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.2. Rights as a Lender . The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 10.3. Action by Administrative Agent; Exculpatory Provisions . (a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent and its Related Parties:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents),

provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law. The Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder or under any other Loan Document unless it first receives any further assurances of its indemnification from the Lenders that it may require, including prepayment of any related expenses and any other protection it requires against any and all costs, expense, and liability which may be incurred by it by reason of taking or continuing to take any such action; and

(iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be required under Section 13.3, or as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 9.2, 9.3, 9.4 and 9.5), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. Any such action taken or failure to act pursuant to the foregoing shall be binding on all Lenders. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by the Borrower, a Lender, or the L/C Issuer.

(c) Neither the Administrative Agent nor any of its Related Parties shall be responsible for or have any duty or obligation to any Lender or L/C Issuer or participant or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in Section 7.1 or 7.2 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 10.4. Reliance by Administrative Agent . The Administrative Agent shall be entitled to rely upon, and shall be fully protected in relying and shall not incur any liability for

relying upon, any notice, request, certificate, communication, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall be fully protected in relying and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 10.5. Delegation of Duties . The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Facilities as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 10.6. Resignation or Removal of Administrative Agent . (a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuers and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States of America, or an Affiliate of any such bank with an office in the United States of America. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the *"Resignation Effective Date"*), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and the L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have

been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the *"Removal Effective Date"*), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents, and (ii) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. If on the Resignation Effective Date no successor has been appointed and accepted such appointment, the Administrative Agent's rights in the Collateral Documents shall be assigned without representation, recourse or warranty to the Lenders and L/C Issuer as their interests may appear. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Section 10 and Section 13.4 shall continue in effect for the benefit of such retiring or removed 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 the retiring or removed Administrative Agent was acting as Administrative Agent.

Section 10.7. Non-Reliance on Administrative Agent and Other Lenders . Each Lender and L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or 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 Agreement. Each Lender and L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 10.8. L/C Issuer and Swingline Lender. The L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the Swingline Lender shall act on behalf of the Lenders with respect to the Swingline Loans made hereunder. The L/C Issuer and the Swingline Lender shall each have all of the benefits and immunities (i) provided to the Administrative Agent in this Section 10 with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and the Applications pertaining to such Letters of

Credit or by the Swingline Lender in connection with Swingline Loans made or to be made hereunder as fully as if the term "Administrative Agent", as used in this Section 10, included the L/C Issuer and the Swingline Lender with respect to such acts or omissions and (ii) as additionally provided in this Agreement with respect to such L/C Issuer or Swingline Lender, as applicable. Any resignation by the Person then acting as Administrative Agent pursuant to Section 10.6 shall also constitute its resignation or the resignation of its Affiliate as L/C Issuer and Swingline Lender except as it may otherwise agree. If such Person then acting as L/C Issuer so resigns, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Loans or fund risk participations in Reimbursement Obligations pursuant to Section 2.3. If such Person then acting as Swingline Lender resigns, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.2(b). Upon the appointment by the Borrower of a successor L/C Issuer or Swingline Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as applicable (other than any rights to indemnity payments or other amounts that remain owing to the retiring L/C Issuer or Swingline Lender), and (ii) the retiring L/C Issuer and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents other than with respect to its outstanding Letters of Credit and Swingline Loans, and (iii) upon the request of the resigning L/C Issuer, the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the resigning L/C Issuer to effectively assume the obligations of the resigning L/C Issuer with respect to such Letters of Credit.

Section 10.9. Hedging Liability and Bank Product Obligations . By virtue of a Lender's execution of this Agreement or an assignment agreement pursuant to Section 13.2, as the case may be, any Affiliate of such Lender with whom the Borrower or any other Loan Party has entered into an agreement creating Hedging Liability or Bank Product Obligations shall be deemed a Lender party hereto for purposes of any reference in a Loan Document to the parties for whom the Administrative Agent is acting, it being understood and agreed that the rights and benefits of such Affiliate under the Loan Documents consist exclusively of such Affiliate's right to share in payments and collections out of the Collateral and the Guaranty Agreements as more fully set forth in Section 9.5. Without limiting the generality of the foregoing, (i) each such Affiliate of a Lender shall, for the avoidance of doubt, be deemed to have agreed to the provisions of Section 10 and (ii) no such Affiliate of any Lender shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral). Notwithstanding any other provision of Section 10 to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, any Hedging Liability or Bank Product Obligations unless the Administrative Agent has received written notice of such Hedging Liability or Bank Product Obligations, together with such

supporting documentation as the Administrative Agent may request, from the applicable Lender or Affiliate of any Lender.

Section 10.10. Designation of Additional Agents . The Administrative Agent shall have the continuing right, for purposes hereof, at any time and from time to time to designate one or more of the Lenders (and/or its or their Affiliates) as "syndication agents," "documentation agents," "book runners," "lead arrangers," "arrangers," or other designations for purposes hereto, but such designation shall have no substantive effect, and such Lenders and their Affiliates shall have no additional powers, duties or responsibilities as a result thereof.

Section 10.11. Authorization to Enter into, and Enforcement of, the Collateral Documents; Possession of Collateral . The Administrative Agent is hereby irrevocably authorized by each of the Lenders and the L/C Issuer to execute and deliver the Collateral Documents on behalf of each of the Lenders, the L/C Issuer, and their Affiliates and to take such action and exercise such powers under the Collateral Documents as the Administrative Agent considers appropriate; *provided* the Administrative Agent shall not amend the Collateral Documents unless such amendment is agreed to in writing by the Required Lenders. Upon the occurrence of an Event of Default, the Administrative Agent shall take such action to enforce its Lien on the Collateral and to preserve and protect the Collateral as may be directed by the Required Lenders. Unless and until the Required Lenders give such direction, the Administrative Agent may (but shall not be obligated to) take or refrain from taking such actions as it deems appropriate and in the best interest of all the Lenders and L/C Issuer. Each Lender and L/C Issuer acknowledges and agrees that it will be bound by the terms and conditions of the Collateral Documents upon the execution and delivery thereof by the Administrative Agent. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders, the L/C Issuer or their Affiliates for any failure to monitor or maintain any portion of the Collateral. The Lenders and L/C Issuer hereby irrevocably authorize (and each of their Affiliates holding any Bank Product Obligations and Hedging Liability entitled to the benefits of the Collateral shall be deemed to authorize) the Administrative Agent, based upon the instruction of the Required Lenders, to credit bid and purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale thereof conducted by the Administrative Agent (or any security trustee therefore) under the provisions of the Uniform Commercial Code, including pursuant to Sections 9-610 or 9-620 of the Uniform Commercial Code, at any sale thereof conducted under the provisions of the United States Bankruptcy Code, including Section 363 of the United States Bankruptcy Code, or at any sale or foreclosure conducted by the Administrative Agent or any security trustee therefore (whether by judicial action or otherwise) in accordance with applicable law. Except as otherwise specifically provided for herein, no Lender, L/C Issuer, or their Affiliates, other than the Administrative Agent, shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure or other realization upon any Collateral or for the execution of any trust or power in respect of the Collateral or for the appointment of a receiver or for the enforcement of any other remedy under the Collateral Documents; it being understood and intended that no one or more of the Lenders or L/C Issuer or their Affiliates shall have any right in any manner whatsoever to affect, disturb or prejudice the Lien of the Administrative Agent

(or any security trustee therefor) under the Collateral Documents by its or their action or to enforce any right thereunder, and that all proceedings at law or in equity shall be instituted, had, and maintained by the Administrative Agent (or its security trustee) in the manner provided for in the relevant Collateral Documents for the benefit of the Lenders, the L/C Issuer, and their Affiliates. Each Lender and L/C Issuer is hereby appointed agent for the purpose of perfecting the Administrative Agent's security interest in assets which, in accordance with Article 9 of the Uniform Commercial Code or other applicable law can be perfected only by possession. Should any Lender or L/C Issuer (other than the Administrative Agent) obtain possession of any Collateral, such Lender or L/C Issuer shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the Administrative Agent or in accordance with the Administrative Agent's instructions.

Section 10.12. Authorization to Release, Limit or Subordinate Liens or to Release Guaranties. The Administrative Agent is hereby irrevocably authorized by each of the Lenders, the L/C Issuer, and their Affiliates to (a) release any Lien covering any Collateral that is sold, transferred, or otherwise disposed of in accordance with the terms and conditions of this Agreement and the relevant Collateral Documents (including a sale, transfer, or disposition permitted by the terms of Section 8.10), (b) release or subordinate any Lien on Collateral consisting of goods financed with purchase money indebtedness or under a Capital Lease to the extent such purchase money indebtedness or Capitalized Lease Obligation, and the Lien securing the same, are permitted by Sections 8.7(b) and 8.8(d) or which has otherwise been consented to in accordance with Section 13.3, (c) reduce or limit the amount of the indebtedness secured by any particular item of Collateral to an amount not less than the estimated value thereof to the extent necessary to reduce mortgage registry, filing and similar tax, (d) release Liens on the Collateral following termination or expiration of the Commitments and payment in full in cash of the Obligations (other than contingent indemnification obligations) and the expiration or termination of all Letters of Credit (other than Letters of Credit that have been Cash Collateralized to the satisfaction of the Administrative Agent and relevant L/C Issuer) and, if then due, Hedging Liability and Bank Product Obligations, and (e) release any Subsidiary from its obligations as a Guarantor if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents. Upon the Administrative Agent's request, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of Property or to release any Person form its obligations as a Guarantor under the Loan Documents.

Section 10.13. Authorization of Administrative Agent to File Proofs of Claim In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable

in order to have the claims of Lenders, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under the Loan Documents including, but not limited to, Sections 3.1, 4.4, 4.5, and 13.4) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 3.1 and 13.4. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or L/C Issuer or to authorize the Administrative Agent to vote in respect of the claim of any Lender or L/C Issuer in any such proceeding.

Section 10.14. Authorization to Enter into Intercreditor Agreement and Subordination Agreements. Each Lender hereby irrevocably appoints, designates and authorizes Administrative Agent to enter into the any subordination or intercreditor agreement pertaining to Subordinated Debt or Indebtedness permitted to exist hereunder that is secured by liens on all or a portion of the Collateral or any other subordinated Indebtedness permitted to be incurred hereunder (each, a *"Subordination Agreement"*), on its behalf and to take such action on its behalf under the provisions of any such agreement. Each Lender further agrees to be bound by the terms and conditions of any Subordination Agreement. Each Lender hereby authorizes and directs Administrative Agent to issue blockage notices under any such Subordination Agreement at the direction of Administrative Agent or the Required Lenders.

Section 10.15. Certain ERISA Matters . (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and its Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

Section 10.16. Recovery of Erroneous Payments . Notwithstanding anything to the contrary in this Agreement, if at any time the Administrative Agent determines (in its sole and absolute discretion) that it has made a payment hereunder in error to any Lenders or L/C Issuers (or their applicable Affiliates), whether or not in respect of a Secured Obligation due and owing by any Loan Party at such time, where such payment is a Rescindable Amount, then in any such event, each such Person receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Person in

immediately available funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender and each L/C Issuer (or their applicable Affiliates), irrevocably waives any and all defenses, including any "discharge for value" (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another), "good consideration", "change of position" or similar defenses (whether at law or in equity) to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender or L/C Issuer (or their applicable Affiliates) that received a Rescindable Amount promptly upon determining that any payment made to such Person comprised, in whole or in part, a Rescindable Amount. Each Person's obligations, agreements and waivers under this Section shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or L/C Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Secured Obligations (or any portion thereof) under any Loan Document.

SECTION 11. THE GUARANTEES .

Section 11.1. The Guarantees. To induce the Lenders and L/C Issuer to provide the credits described herein and in consideration of benefits expected to accrue to the Borrower by reason of the Commitments and for other good and valuable consideration, receipt of which is hereby acknowledged, each Guarantor party hereto (including any Person executing an Additional Guarantor Supplement in the form attached hereto as Exhibit G or such other form acceptable to the Administrative Agent) and the Borrower (as to the Secured Obligations of another Loan Party) hereby unconditionally and irrevocably guarantees jointly and severally to the Administrative Agent, the Lenders, and the L/C Issuer and their Affiliates, the due and punctual payment of all present and future Secured Obligations, including, but not limited to, the due and punctual payment of principal of and interest on the Loans, the Reimbursement Obligations, and the due and punctual payment of all other Obligations now or hereafter owed by the Borrower under the Loan Documents and the due and punctual payment of all Hedging Liability and Bank Product Obligations, in each case as and when the same shall become due and payable, whether at stated maturity, by acceleration, or otherwise, according to the terms hereof and thereof (including all interest, costs, fees, and charges after the entry of an order for relief against the Borrower or such other obligor in a case under the United States Bankruptcy Code or any similar proceeding, whether or not such interest, costs, fees and charges would be an allowed claim against the Borrower or any such obligor in any such proceeding); *provided, however,* that, with respect to any Guarantor, Hedging Liability guaranteed by such Guarantor shall exclude all Excluded Swap Obligations. In case of failure by the Borrower or other obligor punctually to pay any Secured Obligations, each Guarantor hereby unconditionally agrees to make such payment or to cause such payment to be made punctually as and when the same shall become due and payable, whether at stated maturity, by acceleration, or otherwise, and as if such payment were made by the Borrower or such obligor.

Section 11.2. Guarantee Unconditional . The obligations of each Guarantor under this Section 11 shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, or otherwise affected by:

(a) any extension, renewal, settlement, compromise, waiver, or release in respect of any obligation of any Loan Party or other obligor or of any other guarantor under this Agreement or any other Loan Document or by operation of law or otherwise;

(b) any modification or amendment of or supplement to this Agreement or any other Loan Document or any agreement relating to Hedging Liability or Bank Product Obligations;

(c) any change in the corporate existence, structure, or ownership of, or any insolvency, bankruptcy, reorganization, or other similar proceeding affecting, any Loan Party or other obligor, any other guarantor, or any of their respective assets, or any resulting release or discharge of any obligation of any Loan Party or other obligor or of any other guarantor contained in any Loan Document;

(d) the existence of any claim, set-off, or other rights which any Loan Party or other obligor or any other guarantor may have at any time against the Administrative Agent, any Lender, the L/C Issuer or any other Person, whether or not arising in connection herewith;

(e) any failure to assert, or any assertion of, any claim or demand or any exercise of, or failure to exercise, any rights or remedies against any Loan Party or other obligor, any other guarantor, or any other Person or Property;

(f) any application of any sums by whomsoever paid or howsoever realized to any obligation of any Loan Party or other obligor, regardless of what obligations of any Loan Party or other obligor remain unpaid;

(g) any invalidity or unenforceability relating to or against any Loan Party or other obligor or any other guarantor for any reason of this Agreement or of any other Loan Document or any agreement relating to Hedging Liability or Bank Product Obligations or any provision of applicable law or regulation purporting to prohibit the payment by any Loan Party or other obligor or any other guarantor of the principal of or interest on any Loan or any Reimbursement Obligation or any other amount payable under the Loan Documents or any agreement relating to Hedging Liability or Bank Product Obligations; or

(h) any other act or omission to act or delay of any kind by the Administrative Agent, any Lender, the L/C Issuer, or any other Person or any other circumstance whatsoever that might, but for the provisions of this subsection, constitute a legal or equitable discharge of the obligations of the Borrower or any Guarantor under this Section 11.

Section 11.3. Discharge Only upon Payment in Full; Reinstatement in Certain Circumstances. The Borrower's and each Guarantor's obligations under this Section 11 shall remain in full force and effect until the Commitments are terminated, all Letters of Credit have expired, and the principal of and interest on the Loans and all other amounts payable by the Borrower and the other Loan Parties under this Agreement and all other Loan Documents and, if then outstanding and unpaid, all Hedging Liability and Bank Product Obligations shall have been paid in full. If at any time any payment of the principal of or interest on any Loan or any Reimbursement Obligation or any other amount payable by any Loan Party or other obligor or any guarantor under the Loan Documents or any agreement relating to Hedging Liability or Bank Product Obligations is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy, or reorganization of such Loan Party or other obligor or of any guarantor, or otherwise, the Borrower's and each Guarantor's obligations under this Section 11 with respect to such payment shall be reinstated at such time as though such payment had become due but had not been made at such time.

Section 11.4. Subrogation . The Borrower and each Guarantor agrees it will not exercise any rights which it may acquire by way of subrogation by any payment made hereunder, or otherwise, until all the Secured Obligations shall have been paid in full subsequent to the termination of all the Commitments and expiration of all Letters of Credit. If any amount shall be paid to a Loan Party on account of such subrogation rights at any time prior to the later of (x) the payment in full of the Secured Obligations and all other amounts payable by the Loan Parties hereunder and the other Loan Documents and (y) the termination of the Commitments and expiration of all Letters of Credit, such amount shall be held in trust for the benefit of the Administrative Agent, the Lenders, and the L/C Issuer (and their Affiliates) and shall forthwith be paid to the Administrative Agent for the benefit of the Lenders and L/C Issuer (and their Affiliates) or be credited and applied upon the Secured Obligations, whether matured or unmatured, in accordance with the terms of this Agreement.

Section 11.5. Subordination . The Borrower and each Guarantor (each referred to herein as a *"Subordinated Creditor"*) hereby subordinates the payment of all indebtedness, obligations, and liabilities of each and any other Loan Party owing to such Subordinated Creditor, whether now existing or hereafter arising, to the indefeasible payment in full in cash of all Secured Obligations. During the existence of any Event of Default, subject to Section 11.4, any such indebtedness, obligation, or liability of the other Loan Party owing to such Subordinated Creditor shall be enforced and performance received by such Subordinated Creditor as trustee for the benefit of the holders of the Secured Obligations and the proceeds thereof shall be paid over to the Administrative Agent for application to the Secured Obligations (whether or not then due), but without reducing or affecting in any manner the liability of such Loan Party under this Section 11.

Section 11.6. Waivers . The Borrower and each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest, and any notice not provided for herein, as well as any requirement that at any time any action be taken by the Administrative Agent, any Lender, the L/C Issuer, or any other Person against any other Loan Party or other obligor, another guarantor, or any other Person.

Section 11.7. Limit on Recovery . Notwithstanding any other provision hereof, the right of recovery against each Loan Party under this Section 11 shall not exceed $1.00 less than the lowest amount which would render such Loan Party's obligations under this Section 11 void or voidable under applicable law, including, without limitation, fraudulent conveyance law.

Section 11.8. Stay of Acceleration . If acceleration of the time for payment of any amount payable by the Borrower or other Loan Party or other obligor under this Agreement or any other Loan Document, or under any agreement relating to Hedging Liability or Bank Product Obligations, is stayed upon the insolvency, bankruptcy or reorganization of the Borrower or other Loan Party or obligor, all such amounts otherwise subject to acceleration under the terms of this Agreement or the other Loan Documents, or under any agreement relating to Hedging Liability or Bank Product Obligations, shall nonetheless be payable by the Loan Parties hereunder forthwith on demand by the Administrative Agent made at the request or otherwise with the consent of the Required Lenders.

Section 11.9. Benefit to Borrower and Guarantors . The Loan Parties are engaged in related businesses and integrated to such an extent that the financial strength and flexibility of the Borrower and the other Loan Parties has a direct impact on the success of each other Loan Party. The Borrower and each Guarantor will derive substantial direct and indirect benefit from the extensions of credit hereunder, and the Borrower and each Guarantor acknowledges that its obligations hereunder and this guarantee is necessary or convenient to the conduct, promotion and attainment of its business.

Section 11.10. Keepwell . Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Guarantee in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under this Guarantee, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until discharged in accordance with Section 11.3. Each Qualified ECP Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

SECTION 12. COLLATERAL .

Section 12.1. Collateral . The Secured Obligations shall be secured by valid, perfected, and enforceable Liens on all right, title, and interest of each Loan Party in all of its real property, personal property, and fixtures, whether now owned or hereafter acquired or arising, and all proceeds thereof; *provided, however,* that: (i) the Collateral shall not include Excluded Property, (ii) until an Event of Default has occurred and is continuing and thereafter until otherwise required by the Administrative Agent or the Required Lenders, Liens on vehicles or other goods which are subject to a certificate of title law need not be perfected provided that the fair market value of such vehicles or other goods at any one time not so perfected shall not exceed $500,000

in the aggregate, and (iii) the Collateral need not include (or be perfected if a Lien is granted) those assets of any Loan Party as to which the Administrative Agent in its sole discretion determines that the cost of obtaining a security interest in or perfection thereof are excessive in relation to the value of the security to be afforded thereby. Each Loan Party acknowledges and agrees that the Liens on the Collateral shall be granted to the Administrative Agent for the benefit of the holders of the Secured Obligations and shall be valid and perfected first priority Liens (to the extent perfection by filing, registration, recordation, possession or control is required herein or in any other Loan Document) subject to the proviso appearing at the end of the preceding sentence and to Liens permitted by Section 8.8, in each case pursuant to one or more Collateral Documents from such Persons, each in form and substance reasonably satisfactory to the Administrative Agent.

Section 12.2. Depository Banks . Each Loan Party shall at all times maintain the Administrative Agent (or one of its Affiliates) as its primary depository bank, including for its principal operating, administrative, cash management, lockbox arrangements, collection activity, and other deposit accounts for the conduct of its business, and, except for Excluded Deposit Accounts, all deposit accounts of the Loan Parties shall at all times be maintained with (i) a Lender (or one of its Affiliates) or such other bank(s) reasonably acceptable to the Administrative Agent subject to deposit account control agreements in favor of Administrative Agent on terms reasonably satisfactory to Administrative Agent or (ii) the Administrative Agent (all such deposit accounts described in the foregoing clauses (i) and (ii) being hereinafter collectively referred to as the *"Assigned Accounts"*); *provided, however,* that deposit accounts acquired by a Loan Party as part of a Permitted Acquisition or opened by a Loan Party with a Lender (or its Affiliates) after the Closing Date shall not be required to be subject to deposit account control agreement pursuant to the foregoing provisions until the date that is one hundred eighty (180) days after (or such later date as the Administrative Agent may agree in its sole discretion) the date such deposit accounts were acquired or opened by such Loan Party. Each Loan Party shall make such arrangements as may be reasonably requested by the Administrative Agent to assure that all proceeds of the Collateral are deposited (in the same form as received) in one or more Assigned Accounts. Any proceeds of Collateral received by any Loan Party shall be promptly deposited into an Assigned Account and, until so deposited, shall be held by it in trust for the Administrative Agent and the Lenders. Each Loan Party acknowledges and agrees that the Administrative Agent has (and is hereby granted to the extent it does not already have) a Lien on each Assigned Account and all funds contained therein to secure the Secured Obligations. The Administrative Agent agrees with the Loan Parties that if and so long as no Default has occurred or is continuing, amounts on deposit in the Assigned Accounts will (subject to the rules and regulations as from time to time in effect applicable to such demand deposit accounts) be made available to the relevant Loan Party for use in the conduct of its business. Upon the occurrence and during the continuance of a Default, the Administrative Agent may apply the funds on deposit in any and all such Assigned Accounts to the Secured Obligations whether or not then due.

Section 12.3. Liens on Real Property . In the event that any Loan Party owns or hereafter acquires any real property (other than Excluded Property), such Loan Party shall promptly notify the Lenders and the Administrative Agent and shall execute and deliver to the Administrative Agent a mortgage or deed of trust acceptable in form and reasonably substance to the Administrative Agent for the purpose of granting to the Administrative Agent (or a security trustee therefor) a Lien on such real property to secure the Secured Obligations, shall pay all taxes, costs,

and expenses incurred by the Administrative Agent in recording such mortgage or deed of trust, and shall supply to the Administrative Agent at the Borrower's cost and expense, to the extent requested by the Administrative Agent, a survey, environmental report, hazard insurance policy, appraisal report, and a mortgagee's policy of title insurance from a title insurer reasonably acceptable to the Administrative Agent insuring the validity of such mortgage or deed of trust and its status as a first Lien (subject to Liens permitted by this Agreement) on the real property encumbered thereby and such other instrument, documents, certificates, and opinions reasonably required by the Administrative Agent in connection therewith; *provided, however,* that no such Mortgage shall be recorded prior to the later of: (i) to the extent no Event of Default has occurred and is continuing, the date that is forty-five (45) days after the date on which the Administrative Agent or the Borrower delivered notice to the Lenders of such Mortgage (or such earlier date as may be agreed to by the Lenders) and (ii) the date on which the Administrative Agent has received confirmation from all of the Lenders that its respective flood insurance due diligence and flood insurance compliance, if any, has been completed with respect to the applicable Premises (such written confirmation not to be unreasonably conditioned, withheld or delayed).

Section 12.4. Further Assurances . Each Loan Party agrees that it shall, from time to time at the reasonable request of the Administrative Agent, execute and deliver such documents and do such acts and things as the Administrative Agent may reasonably request in order to provide for or perfect or protect such Liens on the Collateral. In the event any Loan Party forms or acquires any other Subsidiary after the date hereof, except as otherwise provided in the definition of Guarantor, the Loan Parties shall, within thirty (30) days (or such later date as the Administrative Agent may agree to in its reasonable discretion) after such formation or acquisition, as applicable, cause such newly formed or acquired Subsidiary to execute a joinder to this Agreement or a Guaranty Agreement, and such Collateral Documents as the Administrative Agent may then reasonably require, and the Loan Parties shall also deliver to the Administrative Agent, or cause such Subsidiary to deliver to the Administrative Agent, at the Borrower's cost and expense, such other instruments, documents, certificates, and opinions reasonably required by the Administrative Agent in connection therewith.

SECTION 13. MISCELLANEOUS .

Section 13.1. Notices .

(a) *Notices Generally.* Except in the case of notices and other communications expressly permitted to be given by telephone and except as provided in subsection (b) below, 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 telecopier or email (including as a .pdf file) to the notice information set forth on Schedule 13.1, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number as set forth on Schedule 13.1. If to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire, as changed pursuant to subsection (d) below (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to Loan Parties).

Notices sent by hand or overnight courier service or by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not sent during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) *Electronic Communications.* Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender or L/C Issuer pursuant to Sections 2.2, 2.3 and 2.6 if such Lender or L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Sections by electronic communication. The Administrative Agent or the Borrower may, in their discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor.

(c) *Change of Address, etc.* Any party hereto may change its address or telecopier number for notices and other communications hereunder by notice to the other parties hereto.

(d) *Platform.* (i) Each Loan Party agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the L/C Issuers and the other Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the *"Platform"*). The Borrower acknowledges and agrees that the DQ List shall be deemed suitable for posting and may be posted by the Administrative Agent on the Platform, including the portion of the Platform that is designated for "public side" Lenders.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the *"Agent Parties"*) have any liability to the Borrower or the other Loan Parties, any Lender or any other Person or entity for

damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of communications through the Platform. *"Communications"* means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent, any Lender or any L/C Issuer by means of electronic communications pursuant to this Section, including through the Platform.

Section 13.2. Successors and Assigns .

(a) *Successors and Assigns Generally.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation recorded in an applicable Participant Register in accordance with the provisions of paragraph (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). 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, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) *Assignments by Lenders.* Any Lender may at any time 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 Commitments and the Loans at the time owing to it); *provided* that (in each case with respect to any Facility) any such assignment shall be subject to the following conditions:

(i) *Minimum Amounts.* (A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitments and the Loans at the time owing to it (in each case with respect to any Facility) or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the relevant Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the 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 or, if *"Trade Date"* is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than $1,000,000 in the case of any

assignment in respect of the Revolving Facility or a Term Loan Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) *Proportionate Amounts.* 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 with respect to the Loan or the Commitment assigned, except that this clause (ii) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis.

(iii) *Required Consents.* No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; *provided* that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (i) the Revolving Facility or any unfunded Commitments with respect to any Term Loan Facility if such assignment is to a Person that is not a Lender with a Commitment in respect of such Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender, or (ii) any Term Loans to a Person who is not a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) the consent of each L/C Issuer and Swingline Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the Revolving Facility.

(iv) *Assignment and Assumption.* 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; *provided* that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment**.** The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) *No Assignment to Certain Persons.* No such assignment shall be made to (A) the Borrower or any other Loan Party or any Loan Party's Affiliates or Subsidiaries or (B) to 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 (B).

(vi) *No Assignment to Natural Persons.* No such assignment shall be made to a natural Person.

(vii) *Certain Additional Payments.* In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, each L/C Issuer, the Swingline Lender and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement 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 13.4 and 13.6 with respect to facts and circumstances occurring prior to the effective date of such assignment; *provided* that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph 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 (d) of this Section.

(c) *Register.* The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices in Chicago, Illinois 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 Commitments of, and principal amounts of (and stated interest on) the Loans owing to, each Lender pursuant to the terms hereof from time to time (the *"Register"*). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall 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. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) *Participations.* Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or the Borrower or any other Loan Party or any Loan Party's Affiliates or Subsidiaries) (each, a *"Participant"*) in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitments and/or the Loans owing to it); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent, the L/C Issuers and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.8 with respect to any payments made by such Lender to its Participant(s).

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 that would reduce the amount of or postpone any fixed date for payment of any Obligation in which such participant has an interest. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 4.1, 4.4, and 4.5 (subject to the requirements and limitations therein, including the requirements under Section 4.1(g) (it being understood that the documentation required under Section 4.1(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; *provided* that such Participant (A) agrees to be subject to the provisions of Sections 2.12 and 4.7 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 4.1 or 4.4, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.12 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 13.6 (Right of Setoff) as though it were a Lender; provided that such Participant agrees to be subject to Section 13.7 (Sharing of Payments by Lenders) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts of (and stated interest on) each Participant's interest in the Loans or other obligations under the Loan Documents (the *"Participant Register"*); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or

other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) *Certain Pledges.* 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; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) *Disqualified Institutions*. (i) No assignment or participation shall be made to, and no Commitment shall be provided by, any Person that was a Disqualified Institution as of the date (the *"Trade Date"*) on which the assigning Lender entered into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement to such Person or the date upon which such Commitment shall become effective, as the case may be (unless (i) an Event of Default has occurred and is continuing under Section 9.1(a), (j) or (k) or (ii) the Borrower has consented to such assignment or Commitment in writing in its sole and absolute discretion, in which cases such Person will not be considered a Disqualified Institution for the purpose of such assignment, participation or Commitment and this Agreement). For the avoidance of doubt, with respect to any assignee, participant or Lender that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of "Disqualified Institution"), (x) such assignee, participant or Lender shall not retroactively be disqualified from becoming or being a Lender and (y) the execution by the Borrower of an Assignment and Assumption or similar documentation with respect to such assignee, participant or Lender will not by itself result in such Person no longer being considered a Disqualified Institution. Any assignment, participation or Commitment in violation of this clause (f) (i) shall not be void, but the other provisions of this clause (f) shall apply.

(ii) If any assignment or participation is made to, or any Commitment is provided by, any Disqualified Institution in violation of clause (i) above, or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and the Administrative Agent, (A) terminate the Commitment of such Disqualified Institution and repay all obligations of the Borrower owing to such Disqualified Institution in connection with such Commitment and/or (B) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions contained in this Section), all of its interest, rights and obligations under this Agreement to one or more Eligible Assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (A) will not (x) have the right to receive information, reports or other materials provided to Lenders by the Borrower, the Administrative Agent or any other Lender, (y) attend or participate in meetings attended by the Lenders and the Administrative Agent, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of the Administrative Agent or the Lenders and (B)(x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter, and (y) for purposes of voting on any Debtor Relief Plan, each Disqualified Institution party hereto hereby agrees (1) not to vote on such Debtor Relief Plan, (2) if such Disqualified Institution does vote on such Debtor Relief Plan notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the United States Bankruptcy Code (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Debtor Relief Plan in accordance with Section 1126(c) of the United States Bankruptcy Code (or any similar provision in any other Debtor Relief Laws) and (3) not to contest any request by any party for a determination by the bankruptcy court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(iv) The Administrative Agent shall have the right, and the Borrower hereby expressly authorizes the Administrative Agent, to (A) post the list of Disqualified Institutions provided by the Borrower and any updates thereto from time to time (collectively, the *"DQ List"*) on the Platform, including that portion of the Platform that is designated for "public side" Lenders and/or (B) provide the DQ List to each Lender requesting the same.

Section 13.3. Amendments. Subject to Section 4.3(b), any provision of this Agreement or the other Loan Documents may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by (a) the Borrower, (b) the Required Lenders (or the Administrative Agent acting at the direction of the Required Lenders) (except as otherwise stated below to require only the consent of the Lenders affected thereby), and (c) if the rights or duties of the Administrative Agent, the L/C Issuer, or the Swingline Lender are affected thereby, the Administrative Agent, the L/C Issuer, or the Swingline Lender, as applicable; *provided* that:

(i) no amendment or waiver pursuant to this Section 13.3 shall (A) increase any Commitment of any Lender without the consent of such Lender or (B) reduce the amount of or postpone the date for any scheduled payment of any principal of or interest on any Loan or of any Reimbursement Obligation or of any fee payable hereunder without the consent of the Lender to which such payment is owing or which has committed to make such Loan or Letter of Credit (or participate therein) hereunder; *provided, however,* that only the consent of the Required Lenders shall be necessary (i) to amend the default rate provided in Section 2.9 or to waive any obligation of the Borrower to pay interest or fees

at the default rate as set forth therein or (ii) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest or any fee payable hereunder;

(ii) no amendment or waiver pursuant to this Section 13.3 shall, unless signed by each Lender, change the definition of Required Lenders, change the provisions of this Section 13.3, change Section 13.7 in a manner that would affect the ratable sharing of setoffs required thereby, change the provisions of Section 9.5, change the application of payments contained in Section 5.1, release any material Guarantor or all or substantially all of the Collateral (except as otherwise provided for in the Loan Documents), or affect the number of Lenders required to take any action hereunder or under any other Loan Document;

(iii) no amendment or waiver pursuant to this Section 13.3 shall, unless signed by each Lender affected thereby, extend the Revolving Credit Termination Date, or extend the stated expiration date of any Letter of Credit beyond the Revolving Credit Termination Date;

(iv) no waiver or amendment shall, unless signed by the Required Revolving Lenders, change any provision of the last sentence of Section 7.1 or, solely for the purposes of Section 7.1(b), after the occurrence of any Default, any other provision of this Agreement that would result in such Default no longer continuing;

(v) no amendment or waiver pursuant to this Section 13.3 shall, unless signed by each Required Delayed Draw Term Loan Lender, change the definition of the Delayed Draw Term Loan Availability Period or change the provisions of Section 7.1(f).

(vi) no waiver or amendment shall, unless signed by each Lender with a Revolving Credit Commitment (or, if the Revolving Credit Commitments have been terminated or expired, Revolving Credit Exposure), change the definition of Required Revolving Lenders;

(vii) no amendment to Section 11 shall be made without the consent of the Guarantor(s) affected thereby; and

(viii) no amendment or waiver pursuant to this Section 13.3 shall, unless signed by each Lender directly affected thereby, subordinate, or have the effect of subordinating, the Obligations hereunder to any other Indebtedness or the Liens securing the Obligations to Liens securing any other Indebtedness.

Notwithstanding anything to the contrary herein, (1) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders

or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender, (2) if the Administrative Agent and the Borrower have jointly identified an obvious error, ambiguity, omission, mistake or defect, in each case, in any provision of the Loan Documents or any schedules or exhibits thereto, then the Administrative Agent and the Borrower shall be permitted to amend such provision, schedule or exhibit, (3) guarantees, collateral security documents and related documents executed by the Borrower or any other Loan Party in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be amended, supplemented or waived without the consent of any Lender if such amendment, supplement or waiver is delivered in order to (x) comply with local law or advice of local counsel, (y) cure ambiguities, omissions, mistakes or defects or (z) cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Loan Documents, (4) the Borrower and the Administrative Agent may, without the input or consent of any other Lender, effect amendments to this Agreement and the other Loan Documents as may be necessary in the reasonable opinion of the Borrower and the Administrative Agent to (x) effect the provisions of Section 2.15 or (y) implement an alternate rate of interest pursuant to Section 4.3(b), (5) at all times while the Borrower or any Loan Party owns any real property subject to a Mortgage, any increase, renewal or extension of the Loans or Commitments shall be subject to flood insurance due diligence and flood insurance compliance reasonably satisfactory to the Lenders, and (6) no consent with respect to any amendment, waiver or other modification of this Agreement or any other Loan Document shall be required of any Lender that receives payment in full of the principal of and interest accrued on each Loan made by, and all other amounts owing to, such Lender or accrued for the account of such Lender under this Agreement and the other Loan Documents at the time such amendment, waiver or other modification becomes effective and whose Commitments terminate by the terms and upon the effectiveness of such amendment, waiver or other modification.

Section 13.4. Costs and Expenses; Indemnification .

(a) *Costs and Expenses.* The Borrower shall pay (i) all reasonable 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), and shall pay all fees and time charges and disbursements for attorneys who may be employees of the Administrative Agent, in connection with the syndication of the Facilities, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents, or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), including, without limitation, such fees and expenses incurred in connection with (x) the creation, perfection or protection of the Liens under the Loan Documents (including all title insurance fees and all search, filing and recording fees) and (y) environmental assessments, insurance reviews, collateral audits and valuations, and field exams as provided herein, (ii) all reasonable out-of-pocket expenses incurred by any L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender or any L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or any L/C Issuer), and shall pay all fees and time charges for attorneys who may be employees of the Administrative Agent, any Lender or any L/C Issuer, in connection with the enforcement or protection of its rights

(A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) 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 (including all such costs and expenses incurred in connection with any proceeding under the United States Bankruptcy Code involving the Borrower or any other Loan Party as a debtor thereunder).

(b) *Indemnification by the Loan Parties.* Each Loan Party shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and each L/C Issuer, 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 fees, charges and disbursements of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including any third party or the Borrower or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of Administrative Agent (and any sub-agent thereof), any Swingline Lender and L/C Issuer, and their Related Parties, the administration and enforcement of this Agreement and the other Loan Documents (including all such costs and expenses incurred in connection with any proceeding under the United States Bankruptcy Code involving the Borrower or any other Loan Party as a debtor thereunder), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by any L/C Issuer 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) any actual or alleged violation of Environmental Law or any Environmental Claim or Environmental Liability, including with respect to the actual or alleged presence or Release of Hazardous Materials at, on or from any property owned or operated by any Loan Party or any of its Subsidiaries, related in any way to any Loan Party or any of its Subsidiaries, or (iv) 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 by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto (including, without limitation, any settlement arrangement arising from or relating to the foregoing); *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted directly from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This subsection (b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) *Reimbursement by Lenders.* To the extent that (i) the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by any of them to the Administrative Agent (or any sub-agent thereof), any L/C Issuer, any Swingline Lender or any Related Party or (ii) any liabilities, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever are imposed on, incurred by, or asserted against, Administrative Agent, the L/C Issuer, any Swingline Lender or a Related Party in any way relating to or arising out of this Agreement or any other Loan Document or any action taken or omitted to be taken by Administrative Agent, the L/C Issuer, any Swingline Lender or a Related Party in connection therewith, then, in each case, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), such L/C Issuer, such Swingline Lender or such Related Party, 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 based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); *provided* that with respect to such unpaid amounts owed to any L/C Issuer or Swingline Lender solely in its capacity as such, only the Lenders party to the Revolving Facility shall be required to pay such unpaid amounts, such payment to be made severally among them based on such Lenders' pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each such Lender's share of the Revolving Credit Exposure at such time); and *provided, further,* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), such L/C Issuer or such Swingline Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), such L/C Issuer or any such Swingline Lender in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 13.15.

(d) *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable law, the Loan Parties shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit, or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) *Payments.* All amounts due under this Section shall be payable promptly after demand therefor.

(f) *Survival.* Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

Section 13.5. No Waiver, Cumulative Remedies. No delay or failure on the part of the Administrative Agent, the L/C Issuer, or any Lender, or on the part of the holder or holders of any of the Obligations, in the exercise of any power or right under any Loan Document shall operate

as a waiver thereof or as an acquiescence in any default, nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof or the exercise of any other power or right. The rights and remedies hereunder of the Administrative Agent, the L/C Issuer, the Lenders, and of the holder or holders of any of the Obligations are cumulative to, and not exclusive of, any rights or remedies which any of them would otherwise have.

Section 13.6. Right of Setoff . In addition to any rights now or hereafter granted under the Loan Documents or applicable law and not by way of limitation of any such rights, if an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer, and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by such Lender, such L/C Issuer or any such Affiliate, to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or such L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender or such L/C Issuer different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; *provided* that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.13 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuers, and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such L/C Issuer or their respective Affiliates may have. Each Lender and L/C Issuer agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; *provided* that the failure to give such notice shall not affect the validity of such setoff and application

Section 13.7. Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, 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 Loans and other amounts owing them; *provided* that:

(a) 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

(b) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or a Disqualified Institution), or (y) 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 L/C Obligations to any assignee or participant, other than to any Loan Party or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Loan Party 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 each Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Loan Party in the amount of such participation.

Section 13.8. Survival of Representations. All representations and warranties made herein or in any other Loan Document or in certificates given pursuant hereto or thereto shall survive the execution and delivery of this Agreement and the other Loan Documents and shall continue in full force and effect with respect to the date as of which they were made as long as any credit is in use or available hereunder.

Section 13.9. Survival of Indemnities. All indemnities and other provisions relative to reimbursement to the Lenders and L/C Issuer of amounts sufficient to protect the yield of the Lenders and L/C Issuer with respect to the Loans and Letters of Credit, including, but not limited to, Sections 4.1, 4.4, 4.5, and 13.4, shall survive the termination of this Agreement and the other Loan Documents and the payment of the Obligations.

Section 13.10. Counterparts; Integration; Effectiveness .

(a) *Counterparts; Integration; Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 7.2, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (e.g., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement. For purposes of determining compliance with the conditions specified in Section 7.2, each Lender and L/C Issuer that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with,

each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender or L/C Issuer unless the Administrative Agent shall have received notice from such Lender or L/C Issuer prior to the Closing Date specifying its objection thereto.

(b) *Electronic Execution of Assignments.* The words "execution," "signed," "signature," and words of like import herein and in any Loan Document (including any Assignment and Assumption) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronics Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 13.11. Headings. Section headings used in this Agreement are for reference only and shall not affect the construction of this Agreement.

Section 13.12. Severability of Provisions. Any provision of any Loan Document which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. All rights, remedies and powers provided in this Agreement and the other Loan Documents may be exercised only to the extent that the exercise thereof does not violate any applicable mandatory provisions of law, and all the provisions of this Agreement and other Loan Documents are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Agreement or the other Loan Documents invalid or unenforceable.

Section 13.13. Construction . The parties acknowledge and agree that the Loan Documents shall not be construed more favorably in favor of any party hereto based upon which party drafted the same, it being acknowledged that all parties hereto contributed substantially to the negotiation of the Loan Documents. The provisions of this Agreement relating to Subsidiaries shall only apply during such times as the Borrower has one or more Subsidiaries. NOTHING CONTAINED HEREIN SHALL BE DEEMED OR CONSTRUED TO PERMIT ANY ACT OR OMISSION WHICH IS PROHIBITED BY THE TERMS OF ANY COLLATERAL DOCUMENT, THE COVENANTS AND AGREEMENTS CONTAINED HEREIN BEING IN ADDITION TO AND NOT IN SUBSTITUTION FOR THE COVENANTS AND AGREEMENTS CONTAINED IN THE COLLATERAL DOCUMENTS.

Section 13.14. Excess Interest . Notwithstanding any provision to the contrary contained herein or in any other Loan Document, no such provision shall require the payment or permit the collection of any amount of interest in excess of the maximum amount of interest permitted by applicable law to be charged for the use or detention, or the forbearance in the collection, of all or any portion of the Loans or other obligations outstanding under this Agreement or any other Loan Document (*"Excess Interest"*). If any Excess Interest is provided for, or is adjudicated to be provided for, herein or in any other Loan Document, then in such event (a) the provisions of this Section shall govern and control, (b) neither the Borrower nor any guarantor or endorser shall be obligated to pay any Excess Interest, (c) any Excess Interest that the Administrative Agent or any Lender may have received hereunder shall, at the option of the Administrative Agent, be (i) applied

as a credit against the then outstanding principal amount of Obligations hereunder and accrued and unpaid interest thereon (not to exceed the maximum amount permitted by applicable law), (ii) refunded to the Borrower, or (iii) any combination of the foregoing, (d) the interest rate payable hereunder or under any other Loan Document shall be automatically subject to reduction to the maximum lawful contract rate allowed under applicable usury laws (the *"Maximum Rate"*), and this Agreement and the other Loan Documents shall be deemed to have been, and shall be, reformed and modified to reflect such reduction in the relevant interest rate, and (e) neither the Borrower nor any guarantor or endorser shall have any action against the Administrative Agent or any Lender for any damages whatsoever arising out of the payment or collection of any Excess Interest. Notwithstanding the foregoing, if for any period of time interest on any of the Borrower's Obligations is calculated at the Maximum Rate rather than the applicable rate under this Agreement, and thereafter such applicable rate becomes less than the Maximum Rate, the rate of interest payable on the Borrower's Obligations shall remain at the Maximum Rate until the Lenders have received the amount of interest which such Lenders would have received during such period on the Borrower's Obligations had the rate of interest not been limited to the Maximum Rate during such period.

Section 13.15. Lender's and L/C Issuer's Obligations Several . The obligations of the Lenders and L/C Issuer hereunder are several and not joint. Nothing contained in this Agreement and no action taken by the Lenders or L/C Issuer pursuant hereto shall be deemed to constitute the Lenders and L/C Issuer a partnership, association, joint venture or other entity.

Section 13.16. No Advisory or Fiduciary Responsibility . In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) (i) no fiduciary, advisory or agency relationship between any Loan Party and its Subsidiaries and the Administrative Agent, the L/C Issuer, or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether the Administrative Agent, the L/C Issuer, or any Lender has advised or is advising any Loan Party or any of its Subsidiaries on other matters, (ii) the arranging and other services regarding this Agreement provided by the Administrative Agent, the L/C Issuer, and the Lenders are arm's-length commercial transactions between such Loan Parties and their Affiliates, on the one hand, and the Administrative Agent, the L/C Issuer, and the Lenders, on the other hand, (iii) each Loan Party has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate and (iv) each Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; and (b) (i) the Administrative Agent, the L/C Issuer, and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for any Loan Party or any of its Affiliates, or any other Person; (ii) none of the Administrative Agent, the L/C Issuer, and the Lenders has any obligation to any Loan Party or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the L/C Issuer, and the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of any Loan Party and its

Affiliates, and none of the Administrative Agent, the L/C Issuer, and the Lenders has any obligation to disclose any of such interests to any Loan Party or its Affiliates. To the fullest extent permitted by law, each Loan Party hereby waives and releases any claims that it may have against the Administrative Agent, the L/C Issuer, and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 13.17. Governing Law; Jurisdiction; Consent to Service of Process . (a) THIS AGREEMENT, THE NOTES AND THE OTHER LOAN DOCUMENTS (EXCEPT AS OTHERWISE SPECIFIED THEREIN), AND THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE CONSTRUED AND DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK) WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

(b) Each party hereto 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 party 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 court or, to the extent permitted by applicable Legal Requirements, in such federal court. Each party hereto hereby 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 applicable Legal Requirements. Nothing in this Agreement or any other Loan Document or otherwise shall affect any right that the Administrative Agent, the L/C Issuer 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 any Guarantor or its respective properties in the courts of any jurisdiction.

(c) Each Loan Party hereby irrevocably and unconditionally waives, to the fullest extent permitted by applicable Legal Requirements, 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 Section 13.17(b). Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable Legal Requirements, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in any action or proceeding arising out of or relating to any Loan Document, in the manner provided for notices (other than telecopy or e-mail) in Section 13.1. 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 applicable Legal Requirements.

Section 13.18. Waiver of Jury Trial . EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING

OUT OF OR RELATING TO ANY LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED 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 AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 13.19. USA Patriot Act. Each Lender and L/C Issuer 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"*) hereby notifies the Borrower that pursuant to the requirements of the Act, it is required to obtain, verify, and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or L/C Issuer to identify the Borrower in accordance with the Act.

Section 13.20. Confidentiality . Each of the Administrative Agent, the Lenders and the L/C Issuers agree to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (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 required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; (d) to any other party hereto; (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder; (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 and obligations under this Agreement, or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder; (g) on a confidential basis to (i) any rating agency in connection with rating any Loan Party or its Subsidiaries or the Facilities or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Facilities; (h) with the consent of the Borrower; or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section, or (y) becomes available to the Administrative Agent, any Lender, any L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, *"Information"* means all information received from a Loan Party or any of its Subsidiaries relating to a Loan Party or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any L/C Issuer on a nonconfidential basis prior to disclosure by a Loan Party or any of its Subsidiaries; *provided* that, in the case of information received from a Loan Party or any of its Subsidiaries 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.

Section 13.21. Acknowledgement and Consent to Bail-In of Affected Financial Institutions . Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto (including any party becoming a party hereto by virtue of an Assignment and Assumption) acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

Section 13.22. Acknowledgment Regarding Any Supported QFCs . To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Hedging Liability or any other agreement or instrument that is a QFC (such support, *"QFC Credit Support"*, and each such QFC, a *"Supported QFC"*), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the *"U.S. Special Resolution Regimes"*) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a *"Covered Party"*) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such

Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

Section 13.23. Amendment and Restatement . This Agreement amends and restates the Existing Credit Agreement and is not intended to be or operate as a novation or an accord and satisfaction of the Existing Credit Agreement, any other Loan Document or the indebtedness, obligations and liabilities of the Loan Parties evidenced or provided for thereunder (and shall not constitute a payment, reborrowing or termination thereof). All Obligations (as defined in the Existing Credit Agreement) are in all respects continuing (as amended and restated hereby) with only the terms thereof being modified as provided in this Agreement. Without limiting the generality of the foregoing, each Loan Party agrees that notwithstanding the execution and delivery of this Agreement, the Liens previously granted to the Administrative Agent pursuant to the Collateral Documents shall be and remain in full force and effect and that any rights and remedies of the Administrative Agent thereunder and obligations of the Loan Parties thereunder shall be and remain in full force and effect, shall not be affected, impaired or discharged thereby and shall secure all of the Loan Parties' indebtedness, obligations and liabilities to the Administrative Agent and the Lenders under the Existing Credit Agreement as amended and restated hereby. Each Loan Party hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Loan Documents to which it is a party (after giving effect hereto) and (ii) ratifies and reaffirms that such grant of security interests and Liens and confirms and agrees that such security interests and Liens hereafter secure all of the Obligations as amended hereby. Without limiting the foregoing, the parties to this Agreement hereby acknowledge and agree that the "Credit Agreement" and the "Notes" referred to in the Collateral Documents shall from and after the date hereof be deemed references to this Agreement and the Notes issued hereunder, and all references made to the Existing Credit Agreement in any other Loan Document or in any other instrument or document shall, without more, be deemed to refer to this Agreement.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

This Amended and Restated Credit Agreement is entered into between us for the uses and purposes hereinabove set forth as of the date first above written.

"Borrower"

Willdan Group, Inc.

By:*/s/Creighton K Early*
Name: Creighton K. Early
Title: Executive Vice President and Chief Financial Officer

"Guarantors"

Electrotec of NY Electrical Inc.
Public Agency Resources
Willdan Engineering
Willdan Financial Services
Willdan Lighting & Electric, Inc.
Integral Analytics, Inc.
Willdan Electrical of NY, Inc.
Energy and Environmental Economics, Inc.
Willdan Energy Solutions
Willdan Energy Co.
Alpha Inspections, Inc.
Alternative Power Generation, Inc.

By:*/s/Creighton K Early*
Name: Creighton K. Early
Title: Chief Financial Officer and Treasurer

Genesys Engineering, P.C.

By:*/s/Vanessa Munoz*
Name: Vanessa Munoz
Title: President

"Administrative Agent," "Lender" and "L/C Issuer"

BMO Bank N.A., as Administrative Agent, as Lender and as L/C Issuer

By:*/s/Maria Wisniewski*
Name: Maria Wisniewski
Title: Managing Director

"LENDERS"

BANCALLIANCE INC., as a Lender
By: Alliance Partners LLC, its attorney-in-fact

By */s/John Gray*
Name: John Gray
Title: Executive Vice President

LENDERS"

BANK OF AMERICA N.A., as a Lender

By */s/Mary Beatty*
Name: Mary Beatty
Title: Senior Vice President

LENDERS"

SIEMENS FINANCIAL SERVICES, INC, as a Lender

By */s/Brian Keane*
Name: Brian Keane
Title: Authorized Signatory

By */s/Raymon Bheer*
Name: Raymon Bheer
Title: Authorized Signatory

Lenders

JPMorgan Chase Bank

By */s/ Di Li*
Name: Di Li
Title: Vice President

LIST OF EXHIBITS AND SCHEDULES OMITTED PURSUANT TO ITEM 601(A)(5) OF REGULATION S-K:

EXHIBIT A	—	Notice of Payment Request
EXHIBIT B	—	Notice of Borrowing
EXHIBIT C	—	Notice of Continuation/Conversion
EXHIBIT D-1	—	Term A Note
EXHIBIT D-2	—	Revolving Note
EXHIBIT D-3	—	Swing Note
EXHIBIT D-4	—	Delayed Draw Term Note
EXHIBIT E	—	Increase Request
EXHIBIT F	—	Compliance Certificate
EXHIBIT G	—	Additional Guarantor Supplement
EXHIBIT H	—	Assignment and Assumption
Exhibit I-1	—	Form of U.S. Tax Compliance Certificate
Exhibit I-2	—	Form of U.S. Tax Compliance Certificate
Exhibit I-3	—	Form of U.S. Tax Compliance Certificate
Exhibit I-4	—	Form of U.S. Tax Compliance Certificate
EXHIBIT J	—	Share Repurchase Compliance Certificate

SCHEDULE 1.1(a)	—	Existing Letters of Credit
SCHEDULE 1.1(b)	—	Fiscal Quarters
SCHEDULE 2.1/2.2	—	Commitments
SCHEDULE 6.2	—	Subsidiaries
SCHEDULE 6.10	—	Owned Real Property
SCHEDULE 6.19	—	Collective Bargaining Agreements
SCHEDULE 8.9	—	Investments
SCHEDULE 13.1	—	Notice Information

Exhibit 31.1

SECTION 302 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Michael A. Bieber, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Willdan Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

By: /s/ MICHAEL A. BIEBER
Michael A. Bieber
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

SECTION 302 CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Creighton K. Early, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Willdan Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

By: /s/ CREIGHTON K. EARLY
Creighton K. Early
Chief Financial Officer and Executive Vice President
(Principal Financial Officer)

Exhibit 32.1

Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. 1350, as Adopted Pursuant to § 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Willdan Group, Inc. (the "Company") for the quarterly period ended April 4, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Michael A. Bieber, as President and Chief Executive Officer of the Company, and Creighton K. Early, as Chief Financial Officer and Executive Vice President of the Company, each hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his or her knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ MICHAEL A. BIEBER
Michael A. Bieber
President and Chief Executive Officer
(Principal Executive Officer)
May 8, 2025

By: /s/ CREIGHTON K. EARLY
Creighton K. Early
Chief Financial Officer and Executive Vice President
(Principal Financial Officer)
May 8, 2025

This certification accompanies the Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of § 18 of the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by § 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.